

WESTWOOD REGIONAL SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Washington Township, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Westwood Regional School District

Washington Township, New Jersey

For The Fiscal Year Ended June 30, 2020

Prepared by

Business Office

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INTRODUCTORY SECTION

***Westwood Regional Schools
701 Ridgewood Road
Township of Washington, New Jersey 07676
Phone: (201) 664-0880
Fax: (201) 664-7642***

***Raymond A. González, Ed.D.
Superintendent of Schools***

***Keith A Rosado
Business Administrator/Board Secretary***

December 18, 2020

Honorable President and Members of the Board of Education
Westwood Regional School District
701 Ridgewood Road
Township of Washington, NJ 07676

Dear Board Members:

The Comprehensive Annual Financial Report of the Westwood Regional School District (hereafter the "District") for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Westwood Regional School District's MD&A can be found immediately following the "Independent Auditors' Report."

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditors' report, management's discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the basic financial statements, and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the U.S. Uniform Guidance, "Audits of State and Local Governments and Non Profit Organizations," and the New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the supplementary information section of this report.

1) REPORTING ENTITY AND ITS SERVICES

The Westwood Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB No. 14. All funds of the District are included in this report. The Westwood Regional Board of Education and all of its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through Grade 12. These include regular, as well as special education for handicapped students. In the 2019-20 fiscal year, the District's average daily enrollment was 2,797 students, which is a decrease of 25 students from the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years:

Fiscal Year	Average Daily Enrollment	Percent Change
2019-20	2,797	.90%
2018-19	2,772	.82%
2017-18	2,795	.61%
2016-17	2,778	1.60%
2015-16	2,734	(.03%)
2014-15	2,735	1.75%
2013-14	2,688	.29%
2012-13	2,680	(.92%)
2011-12	2,705	(.73%)
2010-11	2,725	(.21%)
2009-10	2,731	.59%
2008-09	2,715	3.00%
2007-08	2,636	(.35%)

2) ECONOMIC CONDITION AND OUTLOOK

The District's administration is closely monitoring the cost of operations and continues to look for innovative ways to contain expenses and explore new funding sources in order to maintain the quality of educational services required by the students of the District.

The implementation of the statewide NJ Student Learning Standards requires that we review the need to expand or revise our program offerings which may require additional classroom space, curricular materials, and equipment. Westwood Regional School District does not have the capacity at present to accommodate all of these requirements, but efforts are being made as facilities/resources allow.

As part of the adopted 2016-2021 Strategic Plan, the District continues to move forward with the Middle School expansion project. The construction continues with anticipation of opening of the Middle School for the start of the 2020/21 school year. The transition plan discussion for the 8th grade students into the middle school and new program development at the High School upon completion of the project. The district continues to include Capital Project upgrades and projects within its annual budget. For the 2019/20 school year Projects include Roofing renovations at Brookside school, renovation of bleachers at Washington and Berkeley schools, replacement of curtain wall at George and High School, and replacement of Auditorium seating at the High School.

3) INTERNAL ACCOUNTING CONTROLS

Management of the district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the district management.

As a part of the district's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

4) BUDGETARY CONTROLS:

In addition to the internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted from the general fund, the special revenue fund, and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2020. These are reappropriated automatically into the following fiscal year, and as a result, increase the approved budget.

5) ACCOUNTING SYSTEM AND REPORTS

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and these funds are explained in "Notes to the Basic Financial Statements."

6) CASH MANAGEMENT

The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements". The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUPDA was enacted in 1970 to protect Governmental units from a loss of funds on deposit with a failed banking

institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7) RISK MANAGEMENT

The District carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents and fidelity bonds. The District also operates a self-insured workers' compensation program, with an excess insurance policy, New Jersey School Boards Association Insurance Group, a third party claims administrator. Coverage under the workers compensation program is maintained at the statutory levels.


8) INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, & Higgins, LLP, CPA's was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

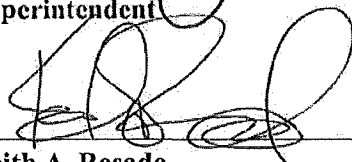
9) ACKNOWLEDGEMENTS

The administration wishes to express its appreciation to the entire business office staff, whose continued efforts and tenacity to ensure the implementation of GAAP and the Board of Education's business policies and regulations make the efficient operation of the district possible. The Business office staff thanks the school district auditors for technical expertise and patience in providing guidance in accounting in general, and this report in particular.

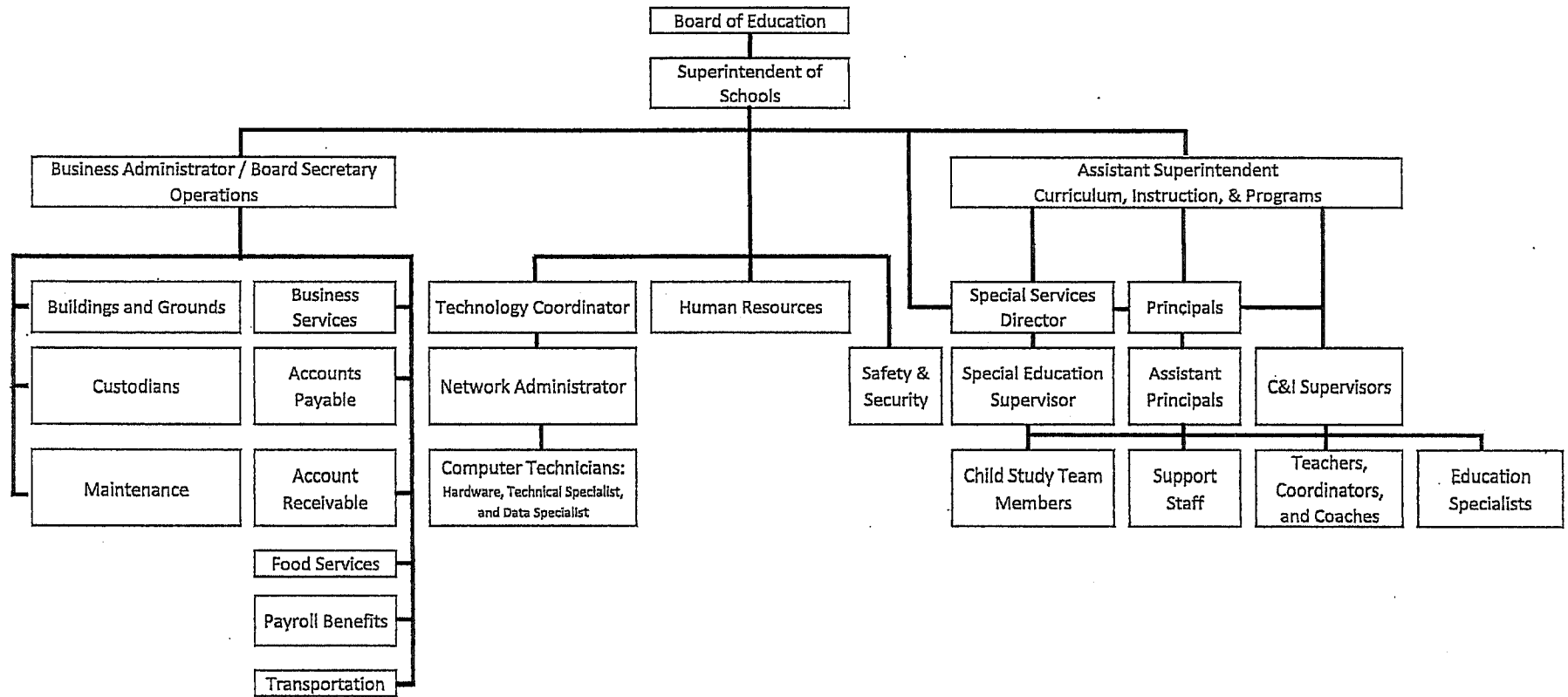
Respectfully submitted;



Raymond A. Gonzalez, Ed.D.
Superintendent



Keith A. Rosado
Business Administrator/Board Secretary



WESTWOOD REGIONAL SCHOOL DISTRICT

**ROSTER OF OFFICIALS
as of June 30, 2020**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Susan Swietkowski, President	2020
Stephen Kalish, Vice President	2020
Joseph Abou-Daoud	2021
Andrew Gerstmayr	2021
Roberta Hanlon	2022
Darlene Mandeville	2020
Matthew Perrapato	2022
Frank Romano	2021
Michelle Sembler	2022

Other Officials

Raymond Gonzalez, Superintendent
Jill Mortimer, Assistant Superintendent
Keith A. Rosado, Business Administrator/Board Secretary
Deborah Carpino, Treasurer
Rodney T. Hara, Esq., Legal Counsel

WESTWOOD REGIONAL SCHOOL DISTRICT

**CONSULTANTS AND ADVISORS
as of June 30, 2020**

Audit Firm

Lerch, Vinci & Higgins, LLP
17-17 State Highway 208 North
Fair Lawn, NJ 07410

Attorney

Fogarty & Hara
21-00 Route 208 South
Fair Lawn, NJ 07410

Special Education Attorney

Machado Law Group, LLC
136 Central Avenue
Clark, NJ 07066

Architect

FKA Architects
306 Ramapo Valley Road
Oakland, NJ 07436

Official Depository

Valley Bank
370 Pascack Road
Washington Twp., NJ 07676

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
SHERYL M. LEIDIG, CPA, PSA
ROBERT LERCH, CPA
CHRIS SOHN, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Westwood Regional School District
Washington Township, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District, as of and for the fiscal year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information and other postemployment benefits information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Westwood Regional School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Westwood Regional School District.

The combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 18, 2020 on our consideration of the Westwood Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Westwood Regional School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Westwood Regional School District's internal control over financial reporting and compliance.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
December 18, 2020

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020`**

This section of the Westwood Regional School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2019-2020) and the prior year (2018-2019) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2019-2020 fiscal year include the following:

- The assets and deferred outflows of resources of the Westwood Regional School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$39,511,499 (net position).
- Overall district-wide revenues were \$73,564,563. General revenues accounted for \$56,055,961, or 77% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$17,508,602 or 23% of total revenues.
- The school district had \$66,488,728 in expenses for governmental activities; only \$16,640,057, of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$56,052,680 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$21,016,626.
- The General Fund fund balance at June 30, 2020 was \$15,883,823 an increase of \$3,933,807 when compared with the beginning balance at July 1, 2019.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

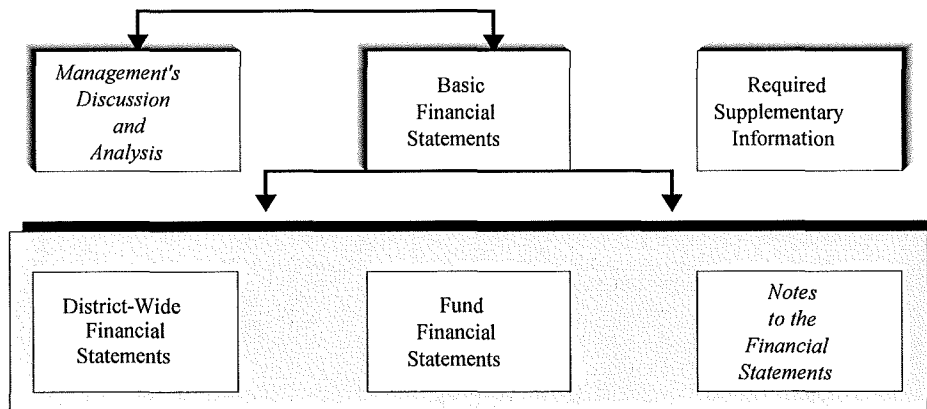
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual* parts of the District, reporting the District's operations in *more detail* than the district-wide statements.
 - The *Governmental funds statements* tell how basic services were financed in the *short term* as well as what remains for future spending.
 - *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.
 - *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others to whom the resources belong.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The chart below shows how the various parts of this annual report are arranged and related to one another.



**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

The table below summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education, building maintenance	Activities the district operates similar to private businesses: enterprise funds Food Service Summer Enrichment	Instances in which the district administers resources on behalf of someone else, such as Unemployment, Payroll Agency, and Student Activities
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenue, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources Focus
Type of asset, deferred inflows/outflows of resources and liability information	All assets, deferred inflows/outflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred inflows of resources and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

District-wide financial statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health or position.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

District-wide financial statements (continued)

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes and state aids finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund and Summer Enrichment Program Fund are included under this category.

Fund financial statements

The fund financial statements provide more detailed information about the District's funds – focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and bond covenants.
- The District uses other funds established in accordance with the State of New Jersey Uniform Chart of Accounts to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.

- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

Fund financial statements (continued)

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has three enterprise funds, one fund accounts for the Food Service (cafeteria) and the others account for the Summer Enrichment and 1-to-1 initiative Program activities.

- *Fiduciary funds* – The District is the trustee, or *fiduciary*, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. The first part of required supplementary information is concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB Statement No. 68 and other post-employment benefits other than pensions required under GASB Statement No. 75. The required supplementary information can be found following the notes to the financial statements.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$39,511,499 as of June 30, 2020 and \$33,329,510 as of June 30, 2019.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Statement of Net Position
As of June 30, 2020 and 2019**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets						
Current Assets	\$ 22,638,082	\$ 31,938,287	\$ 370,434	\$ 395,659	\$ 23,008,516	\$ 32,333,946
Capital Assets	<u>49,919,438</u>	<u>35,385,733</u>	<u>81,185</u>	<u>71,419</u>	<u>50,000,623</u>	<u>35,457,152</u>
Total Assets	<u>72,557,520</u>	<u>67,324,020</u>	<u>451,619</u>	<u>467,078</u>	<u>73,009,139</u>	<u>67,791,098</u>
Deferred Outflows of Resources	<u>2,174,795</u>	<u>3,307,618</u>	<u>-</u>	<u>-</u>	<u>2,174,795</u>	<u>3,307,618</u>
Total Assets and Deferred Outflows of Resources	<u>74,732,315</u>	<u>70,631,638</u>	<u>451,619</u>	<u>467,078</u>	<u>75,183,934</u>	<u>71,098,716</u>
Liabilities						
Other Liabilities	1,892,435	1,762,792	69,233	62,672	1,961,668	1,825,464
Noncurrent Liabilities	<u>29,960,607</u>	<u>32,158,933</u>	<u>-</u>	<u>-</u>	<u>29,960,607</u>	<u>32,158,933</u>
Total Liabilities	<u>31,853,042</u>	<u>33,921,725</u>	<u>69,233</u>	<u>62,672</u>	<u>31,922,275</u>	<u>33,984,397</u>
Deferred Inflows of Resources	<u>3,750,160</u>	<u>3,784,809</u>	<u>-</u>	<u>-</u>	<u>3,750,160</u>	<u>3,784,809</u>
Total Liabilities and Deferred Inflows of Resources	<u>35,603,202</u>	<u>37,706,534</u>	<u>69,233</u>	<u>62,672</u>	<u>35,672,435</u>	<u>37,769,206</u>
Net Position:						
Net Investment in Capital Assets	35,646,139	23,987,704	81,185	71,419	35,727,324	24,059,123
Restricted	12,098,619	19,560,931			12,098,619	19,560,931
Unrestricted	<u>(8,615,645)</u>	<u>(10,623,531)</u>	<u>301,201</u>	<u>332,987</u>	<u>(8,314,444)</u>	<u>(10,290,544)</u>
Total Net Position	<u>\$ 39,129,113</u>	<u>\$ 32,925,104</u>	<u>\$ 382,386</u>	<u>\$ 404,406</u>	<u>\$ 39,511,499</u>	<u>\$ 33,329,510</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

**Changes in Net Position
For the Fiscal Years Ended June 30, 2020 and 2019**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Program Revenues						
Charges for Services	\$ 58,972	\$ 77,985	\$ 681,474	\$ 946,426	\$ 740,446	\$ 1,024,411
Grants and Contributions	16,581,085	17,614,969	187,071	206,599	16,768,156	17,821,568
General Revenues						
Property Taxes	55,349,432	53,706,181			55,349,432	53,706,181
State and Federal Aid	232,333	3,084,350			232,333	3,084,350
Other	470,915	622,038	3,281	8,880	474,196	630,918
Total Revenues	<u>72,692,737</u>	<u>75,105,523</u>	<u>871,826</u>	<u>1,161,905</u>	<u>73,564,563</u>	<u>76,267,428</u>
Expenses						
Instruction						
Regular	29,395,538	28,600,722			29,395,538	28,600,722
Special Education	8,177,953	10,574,343			8,177,953	10,574,343
Other Instruction	1,180,931	1,076,096			1,180,931	1,076,096
School Sponsored Activities and Athletics	1,401,311	1,537,639			1,401,311	1,537,639
Support Services						
Student and Instruction Related Serv.	11,509,188	11,785,211			11,509,188	11,785,211
General Administrative Services	1,749,819	1,564,005			1,749,819	1,564,005
School Administrative Services	4,192,550	3,989,512			4,192,550	3,989,512
Plant Operations and Maintenance	5,943,977	6,842,418			5,943,977	6,842,418
Pupil Transportation	1,145,355	1,289,167			1,145,355	1,289,167
Business and Other Support Services	1,169,818	1,159,143			1,169,818	1,159,143
Interest on Long-Term Debt	622,288	615,149			622,288	615,149
Food Services			847,640	1,052,198	847,640	1,052,198
Other	-	-	46,206	40,215	46,206	40,215
Total Expenses	<u>66,488,728</u>	<u>69,033,405</u>	<u>893,846</u>	<u>1,092,413</u>	<u>67,382,574</u>	<u>70,125,818</u>
Change in Net Position	<u>\$ 6,204,009</u>	<u>\$ 6,072,118</u>	<u>\$ (22,020)</u>	<u>\$ 69,492</u>	<u>\$ 6,181,989</u>	<u>\$ 6,141,610</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

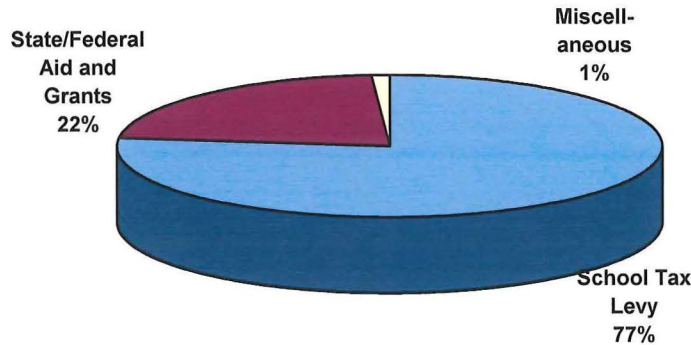
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$72,692,737 for the year ended June 30, 2020, a decrease of \$2,412,786 from the previous year. This decrease is primarily due to a one-time State aid award in the prior year for debt service. Property taxes of \$55,349,432 represented 77% of revenues. Another significant portion of revenues came from State and Federal aid; total State, Federal and local aid was \$16,813,418. Another source of revenues is miscellaneous income which includes items such as interest earnings, prior year refunds, etc.

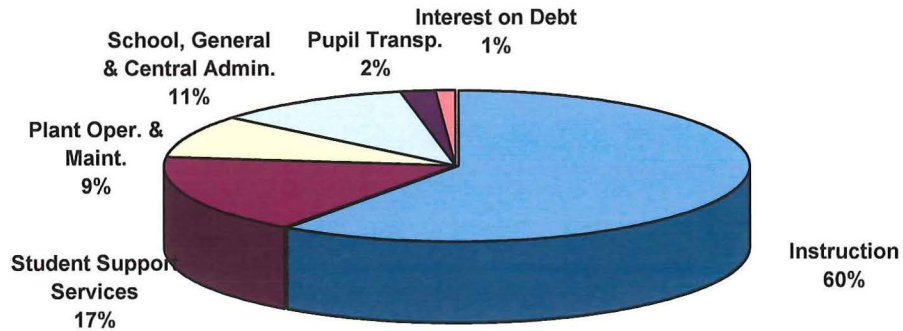
The total cost of all governmental activities programs and services was 66,488,728. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$40,155,733 or 60%, of total expenditures. Student support services, exclusive of interest on debt, total \$25,710,707 or 39%, of total expenditures.

Total governmental activities revenues surpassed expenses, increasing net position \$6,204,009 over the previous year.

Revenues by Source- Governmental Activities
For Fiscal Year 2020



Expenditures by Type- Governmental Activities
For Fiscal Year 2020



**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

Total and Net Cost of Governmental Activities. The District's total cost of services was \$66,488,728. After applying program revenues derived from: grants and contributions of \$16,581,085 and charges for services of \$58,972 the net cost of services of the District is \$49,848,671.

**Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2020 and 2019**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Instruction				
Regular	\$ 29,395,538	\$ 28,600,722	\$ 20,707,006	\$ 20,112,294
Special Education	8,177,953	10,574,343	4,463,432	5,661,317
Other Instruction	1,180,931	1,076,096	788,801	763,667
School Sponsored Activities and Athletics	1,401,311	1,537,639	1,318,866	1,405,244
Support Services				
Student and Instruction Related Svcs.	11,509,188	11,785,211	9,845,838	10,107,191
General Administrative Services	1,749,819	1,564,005	1,403,303	1,234,888
School Administrative Services	4,192,550	3,989,512	3,311,523	3,124,059
Plant Operations and Maintenance	5,943,977	6,842,418	5,712,112	6,486,907
Pupil Transportation	1,145,355	1,289,167	716,695	836,944
Business and Other Support Services	1,169,818	1,159,143	1,155,721	1,119,960
Interest on Long-Term Debt	622,288	615,149	425,374	487,980
Total	<u>\$ 66,488,728</u>	<u>\$ 69,033,405</u>	<u>\$ 49,848,671</u>	<u>\$ 51,340,451</u>

Business-Type Activities – The District's total business-type activities revenues were \$871,826 for the year ended June 30, 2020. Charges for services accounted for 78% of total revenues. Operating grants and contributions accounted for 22% of total revenue for the year and interest income accounted for less than 1% of total revenue.

The total cost of all business-type activities programs and services was \$893,846. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District, the District's summer enrichment program and the District's 1:1 Initiative program.

Total business-type activities expenses surpassed revenues, decreasing net position by \$22,020 from the previous year which represents a 5 percent decrease in net position of the District's business-type activities.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$21,016,626.

Revenues for the District's governmental funds were \$69,274,340, while total expenses were \$78,808,520.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended <u>June 30, 2020</u>	Fiscal Year Ended <u>June 30, 2019</u>	Amount of Increase (Decrease)	Percent Change
Local Sources				
Property Tax Levy	\$ 54,049,371	\$ 52,679,699	\$ 1,369,672	3%
Interest	358,961	547,432	(188,471)	-34%
Miscellaneous	170,926	152,591	18,335	12%
State/Federal Sources	<u>11,637,454</u>	<u>10,682,421</u>	<u>955,033</u>	<u>9%</u>
Total General Fund Revenues	<u>\$ 66,216,712</u>	<u>\$ 64,062,143</u>	<u>\$ 2,154,569</u>	<u>3%</u>

Total General Fund Revenues increased by \$2,154,569 or 3% from the previous year.

State/federal revenues increased \$955,033 or 9%. The increase in state aid is related to an increase in TPAF On-Behalf Pension Contributions made by the State of New Jersey on behalf of the District.

Local property taxes increased 3% over the previous year.

Miscellaneous income revenues decreased by \$170,136 compared to the prior year.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

The following schedule presents a summary of General Fund expenditures.

	<u>Fiscal Year Ended June 30, 2020</u>	<u>Fiscal Year Ended June 30, 2019</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
Instruction	\$ 36,675,923	\$ 36,452,235	\$ 223,688	1%
Support Services	23,250,745	23,461,841	(211,096)	-1%
Debt Service	-	233,133	(233,133)	100%
Capital Outlay	<u>1,590,490</u>	<u>1,011,983</u>	<u>578,507</u>	57%
Total Expenditures	<u>\$ 61,517,158</u>	<u>\$ 61,159,192</u>	<u>\$ 357,966</u>	<u>1%</u>

Total General Fund expenditures increased \$357,966 or less than 1% from the previous year.

In 2019-2020 General Fund revenues exceeded expenditures and other financing uses by \$3,933,807. As a result, total fund balance increased to \$15,883,823 at June 30, 2020. After deducting statutory restrictions, commitments and designations, the unassigned fund balance decreased from \$964,826 at June 30, 2019 to \$911,295 at June 30, 2020.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students.

Revenues of the Special Revenue Fund were \$1,328,320 for the year ended June 30, 2020. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 76% of the total revenue for the year. State sources accounted for 23% and the balance of revenues of less than 1% were from local grants.

Expenditures of the Special Revenue Fund were \$1,328,320. Instructional expenditures were \$991,372 or 75% and expenditures for the support services were \$336,948 or 25% of total expended for the year ended June 30, 2020.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

Proprietary Funds

The District maintains Enterprise Funds to account for activities which are supported in part through user fees.

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services program, the Summer Enrichment program and the Districts 1-1 initiative program. The District's Enterprise Funds provide the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for:

- Implementing budgets for specially funded projects, which include both federal and state grants, appropriating capital reserve funds and reinstating prior year purchase orders being carried over.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2020 amounts to \$50,000,623 (net of accumulated depreciation). The capital assets consist of land improvements, buildings, building improvements, construction in progress, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2019-2020 amounted to \$1,290,520 for governmental activities and \$9,645 for business-type activities.

**Capital Assets at June 30, 2020 and 2019
(Net of Accumulated Depreciation)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Building and Building Improvements	\$ 26,214,498	\$ 26,119,135			\$ 26,214,498	\$ 26,119,135
Machinery and Equipment	2,634,262	2,750,208	\$ 81,185	\$ 71,419	2,715,447	2,821,627
Construction In Progress	<u>21,070,678</u>	<u>6,516,390</u>	<u>-</u>	<u>-</u>	<u>21,070,678</u>	<u>6,516,390</u>
Total Capital Assets, Net	<u>\$ 49,919,438</u>	<u>\$ 35,385,733</u>	<u>\$ 81,185</u>	<u>\$ 71,419</u>	<u>\$ 50,000,623</u>	<u>\$ 35,457,152</u>

Additional information on the District's capital assets are presented in the "Notes to the Financial Statements" of this report.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences payable of \$1,700,083, net pension liability of \$9,430,281 and bonds payable of \$17,855,000.

Additional information of the District's long-term liabilities is presented in the "Notes to the Financial Statements" of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Currently, the District is in good financial condition. Everyone associated with Westwood Regional School District is grateful for the community support.

Many factors were considered by the District's administration during the process of developing the fiscal year 2019-2020 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Westwood Regional School District, 701 Ridgewood Road, Washington Township, NJ 07676.

BASIC FINANCIAL STATEMENTS

WESTWOOD REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 20,011,459	\$ 339,989	\$ 20,351,448
Receivables, net	2,626,623	11,349	2,637,972
Inventories		19,096	19,096
Capital Assets Not Being Depreciated	21,070,678		21,070,678
Capital Assets, Net of Accumulated Depreciation	28,848,760	81,185	28,929,945
Total Assets	<u>72,557,520</u>	<u>451,619</u>	<u>73,009,139</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	585,017		585,017
Deferred Amount on Net Pension Liability	1,589,778	-	1,589,778
Total Deferred Outflows of Resources	<u>2,174,795</u>	<u>-</u>	<u>2,174,795</u>
Total Assets and Deferred Outflows of Resources	<u>74,732,315</u>	<u>451,619</u>	<u>75,183,934</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,306,178	23,448	1,329,626
Intergovernmental Payable	40,188		40,188
Unearned Revenue	275,090	45,785	320,875
Accrued Interest Payable	270,979		270,979
Noncurrent Liabilities			
Due Within One Year	1,152,000		1,152,000
Due Beyond One Year	28,808,607		28,808,607
Total Liabilities	<u>31,853,042</u>	<u>69,233</u>	<u>31,922,275</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	3,750,160	-	3,750,160
Total Deferred Inflows of Resources	<u>3,750,160</u>	<u>-</u>	<u>3,750,160</u>
Total Liabilities and Deferred Inflows of Resources	<u>35,603,202</u>	<u>69,233</u>	<u>35,672,435</u>
NET POSITION			
Net Investment in Capital Assets	35,646,139	81,185	35,727,324
Restricted for:			
Capital Projects	11,048,618		11,048,618
Maintenance	1,050,000		1,050,000
Debt Service	1		1
Unrestricted	(8,615,645)	301,201	(8,314,444)
Total Net Position	<u>\$ 39,129,113</u>	<u>\$ 382,386</u>	<u>\$ 39,511,499</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Functions/Programs:	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 29,395,538	\$ 46,547	\$ 8,641,985		\$ (20,707,006)		\$ (20,707,006)
Special Education	8,177,953		3,714,521		(4,463,432)		(4,463,432)
Other Instruction	1,180,931		392,130		(788,801)		(788,801)
School Sponsored Activities and Athletics	1,401,311		82,445		(1,318,866)		(1,318,866)
Support Services							
Student and Instruction Related Svcs.	11,509,188		1,663,350		(9,845,838)		(9,845,838)
General Administrative Services	1,749,819		346,516		(1,403,303)		(1,403,303)
School Administrative Services	4,192,550		881,027		(3,311,523)		(3,311,523)
Plant Operations and Maintenance	5,943,977	12,425	219,440		(5,712,112)		(5,712,112)
Pupil Transportation	1,145,355		428,660		(716,695)		(716,695)
Business Services	1,169,818		14,097		(1,155,721)		(1,155,721)
Interest on Long-Term Debt	622,288		196,914		(425,374)		(425,374)
Total Governmental Activities	66,488,728	58,972	16,581,085	-	(49,848,671)	-	(49,848,671)
Business-Type Activities							
Food Service	847,640	617,504	187,071			\$ (43,065)	(43,065)
Other	46,206	63,970	-	-		17,764	17,764
Total Business-Type Activities	893,846	681,474	187,071	-	-	(25,301)	(25,301)
Total Primary Government	\$ 67,382,574	\$ 740,446	\$ 16,768,156	\$ -	(49,848,671)	(25,301)	(49,873,972)
General Revenues:							
Property Taxes, Levied for General Purposes					54,049,371		54,049,371
Property Taxes, Levied for Debt Service					1,300,061		1,300,061
State Aid Restricted for Debt Service Principal					232,333		232,333
Investment Earnings					378,312	3,281	381,593
Miscellaneous Income					92,603		92,603
Total General Revenues					56,052,680	3,281	56,055,961
Change in Net Position					6,204,009	(22,020)	6,181,989
Net Position, Beginning of Year					32,925,104	404,406	33,329,510
Net Position, End of Year					\$ 39,129,113	\$ 382,386	\$ 39,511,499

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

FUND FINANCIAL STATEMENTS

WESTWOOD REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash	\$ 16,483,907	\$ 27,805	\$ 3,499,746	\$ 1	\$ 20,011,459
Receivables, Net					
Receivables From Other Governments	87,967	96,926	2,286,697		2,471,590
Due from Other Funds	282,359	-	-	-	282,359
Total Assets	<u>\$ 16,854,233</u>	<u>\$ 124,731</u>	<u>\$ 5,786,443</u>	<u>\$ 1</u>	<u>\$ 22,765,408</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 970,410	\$ 47,292	\$ 288,476		\$ 1,306,178
Due to Other Funds	-		127,326		127,326
Intergovernmental Payables		40,188			40,188
Unearned Revenue		37,251	237,839	-	275,090
Total Liabilities	<u>970,410</u>	<u>124,731</u>	<u>653,641</u>	<u>-</u>	<u>1,748,782</u>
Fund Balances					
Restricted Fund Balance:					
Capital Reserve	8,464,784				8,464,784
Capital Reserve-Designated for Subsequent Year's Expenditures	1,422,959				1,422,959
Maintenance Reserve	1,050,000				1,050,000
Emergency Reserve	582,933				582,933
Excess Surplus-Designated for Subsequent Year's Expenditures	750,000				750,000
Excess Surplus	1,000,000				1,000,000
Capital Projects Fund			5,132,802		5,132,802
Debt Service Fund				\$ 1	1
Committed Fund Balance					
Year-End Encumbrances	202,899				202,899
Assigned Fund Balance					
Designated for Subsequent Year's Expenditures	685,530				685,530
Year-End Encumbrances	813,423				813,423
Unassigned Fund Balance	911,295	-	-	-	911,295
Total Fund Balances	<u>15,883,823</u>	<u>-</u>	<u>5,132,802</u>	<u>1</u>	<u>21,016,626</u>
Total Liabilities and Fund Balances	<u>\$ 16,854,233</u>	<u>\$ 124,731</u>	<u>\$ 5,786,443</u>	<u>\$ 1</u>	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$74,333,539 and the accumulated depreciation is \$24,414,101. 49,919,438

The District has financed capital assets through the issuance of general obligation bonds. The accrued interest at year end is: (270,979)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Serial Bonds Payable	\$ (18,830,243)	
Net Pension Liability	(9,430,281)	
Add: Deferred Outflows of Resources	2,174,795	
Less: Deferred Inflows of Resources	(3,750,160)	
Compensated Absences Payable	(1,700,083)	
		<u>(31,535,972)</u>

Net Position of Governmental Activities (Exhibit A-1) \$ 39,129,113

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 54,049,371			\$ 1,300,061	\$ 55,349,432
Tuition	46,547				46,547
Rentals	12,425				12,425
Interest	358,961				358,961
Interest on Capital Reserve	19,351				19,351
Miscellaneous	92,603	\$ 20,464	-	-	113,067
Total - Local Sources	54,579,258	20,464		1,300,061	55,899,783
State Sources	11,632,175	295,595		429,247	12,357,017
Federal Sources	5,279	1,012,261	-	-	1,017,540
Total Revenues	66,216,712	1,328,320	-	1,729,308	69,274,340
EXPENDITURES					
Current					
Instruction					
Regular Instruction	27,024,906	166,301			27,191,207
Special Education Instruction	7,245,782	771,952			8,017,734
Other Instruction	1,036,117	53,119			1,089,236
School Sponsored Activities and Athletics	1,369,118				1,369,118
Support Services					
Student and Instruction Related Services	10,799,446	211,454			11,010,900
General Administrative Services	1,571,833				1,571,833
School Administrative Services	3,911,810				3,911,810
Central Services	1,155,753				1,155,753
Plant Operations and Maintenance	4,696,574	125,494			4,822,068
Pupil Transportation	1,115,329				1,115,329
Debt Service					
Principal				936,000	936,000
Interest and Other Charges	-			793,307	793,307
Capital Outlay	1,590,490		\$ 14,233,735	-	15,824,225
Total Expenditures	61,517,158	1,328,320	14,233,735	1,729,307	78,808,520
Excess (Deficiency) of Revenues Over/(Under) Expenditures	4,699,554	-	(14,233,735)	1	(9,534,180)
OTHER FINANCING SOURCES (USES)					
Transfers In			765,747		765,747
Transfers Out	(765,747)			-	(765,747)
Total Other Financing Sources (Uses)	(765,747)	-	765,747	-	-
Net Change in Fund Balances	3,933,807	-	(13,467,988)	1	(9,534,180)
Fund Balance, Beginning of Year	11,950,016		18,600,790	-	30,550,806
Fund Balance, End of Year	\$ 15,883,823	\$ -	\$ 5,132,802	\$ 1	\$ 21,016,626

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ (9,534,180)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.

Capital Outlays	\$ 15,824,225	
Depreciation Expense	<u>(1,290,520)</u>	
		14,533,705

In the statement of activities, certain operating expenses are measured by the amounts during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Net Decrease in Net Pension Liability	369	
Amortization of Original Issue Premium	166,662	
Amortization of Deferred Amount on Refunding	(99,975)	
Net Decrease in Compensated Absences Payable	<u>97,096</u>	
		164,152

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long term debt and related items.

Bond Principal Repayments		936,000
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>104,332</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 6,204,009**

**WESTWOOD REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2020**

**Business-Type Activities -
 Enterprise Fund**

	<u>Food Service</u>	<u>Other Non-Major</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 261,931	\$ 78,058	\$ 339,989
Intergovernmental Accounts Receivable	9,165		9,165
Accounts Receivable	2,184		2,184
Inventories	19,096	-	19,096
	<u>292,376</u>	<u>78,058</u>	<u>370,434</u>
Capital Assets			
Furniture, Machinery and Equipment	249,746		249,746
Less Accumulated Depreciation	(168,561)	-	(168,561)
	<u>81,185</u>	<u>-</u>	<u>81,185</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>81,185</u>	<u>-</u>	<u>81,185</u>
Total Assets	<u>373,561</u>	<u>78,058</u>	<u>451,619</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	23,448	-	23,448
Unearned Revenue	45,785	-	45,785
	<u>69,233</u>	<u>-</u>	<u>69,233</u>
Total Liabilities	<u>69,233</u>	<u>-</u>	<u>69,233</u>
NET POSITION			
Investment in Capital Assets	81,185		81,185
Unrestricted	223,143	78,058	301,201
	<u>304,328</u>	<u>78,058</u>	<u>382,386</u>
Total Net Position	<u>\$ 304,328</u>	<u>\$ 78,058</u>	<u>\$ 382,386</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Non-Major	Total
Operating Revenues			
Charges for Services			
Daily Sales - Reimbursable Programs	\$ 328,048		\$ 328,048
Daily Sales - Non-Reimbursable Programs	271,332		271,332
Miscellaneous	18,124		18,124
Program Fees		\$ 63,970	63,970
Total Operating Revenues	<u>617,504</u>	<u>63,970</u>	<u>681,474</u>
Operating Expenses			
Cost of Sales - Reimbursable Programs	230,483		230,483
Cost of Sales - Non-Reimbursable Programs	99,477		99,477
Cost of Sales - USDA Commodities	44,354		44,354
Salaries and Wages	265,170	34,884	300,054
Employee Benefits	29,471		29,471
Management Fee	47,642		47,642
Repairs and Maintenance	28,069		28,069
Other Expenses	76,993		76,993
Purchased Professional Services	5,631		5,631
Supplies and Materials	10,625	11,322	21,947
Miscellaneous	80	-	80
Depreciation	9,645		9,645
Total Operating Expenses	<u>847,640</u>	<u>46,206</u>	<u>893,846</u>
Operating Income/(Loss)	<u>(230,136)</u>	<u>17,764</u>	<u>(212,372)</u>
Nonoperating Revenues			
State Sources			
State School Lunch Program	9,446		9,446
Federal Sources			
School Breakfast Program	11,281		11,281
National School Lunch Program	121,990		121,990
USDA Commodities	44,354		44,354
Interest and Investment Revenue	3,004	277	3,281
Total Nonoperating Revenues	<u>190,075</u>	<u>277</u>	<u>190,352</u>
Change in Net Position	(40,061)	18,041	(22,020)
Net Position, Beginning of Year	<u>344,389</u>	<u>60,017</u>	<u>404,406</u>
Net Position, End of Year	<u>\$ 304,328</u>	<u>\$ 78,058</u>	<u>\$ 382,386</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Non-Major	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 639,812	\$ 34,515	\$ 674,327
Payments for Employees	(294,641)	(34,884)	(329,525)
Payments to Suppliers/Refunds	(494,055)	(14,637)	(508,692)
Net Cash Provided (Used) by Operating Activities	(148,884)	(15,006)	(163,890)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Receipts from State and Federal Sources	164,222	-	164,222
Net Cash Provided By Non-Capital Financing Activities	164,222	-	164,222
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(19,411)	-	(19,411)
Net Cash (Used) by Capital and Related Financing Activities	(19,411)	-	(19,411)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	3,004	277	3,281
Net Cash Provided By Investing Activities	3,004	277	3,281
Net Increase (Decrease) in Cash and Cash Equivalents	(1,069)	(14,729)	(15,798)
Cash and Cash Equivalents—Beginning of Year	263,000	92,787	355,787
Cash and Cash Equivalents—End of Year	\$ 261,931	\$ 78,058	\$ 339,989
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (230,136)	\$ 17,764	\$ (212,372)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation	9,645		9,645
Food Distribution Program (USDA Commodities) National School Lunch Program	44,354		44,354
Changes in Assets, Liabilities and Deferred Inflows of Resources			
(Increase) Decrease in Accounts Receivable	(2,184)		(2,184)
(Increase) Decrease in Inventories	(9,894)		(9,894)
Increase (Decrease) in Accounts Payable	14,839	(3,315)	11,524
Increase (Decrease) in Unearned Revenue	24,492	(29,455)	(4,963)
Total Adjustments	81,252	(32,770)	48,482
Net Cash Provided (Used) by Operating Activities	\$ (148,884)	\$ (15,006)	\$ (163,890)
Non Cash Investing, Capital and Financing Activities			
Fair Value of Food Distribution Program- National School Lunch Program	\$ 44,354		\$ 44,354

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2020**

	Private Purpose Scholarship Trust Funds	Unemployment Compensation Trust Fund	Agency Fund
ASSETS			
Cash	\$ 101,382	\$ 689,626	\$ 699,067
Due from Other Funds		-	20,719
Total Assets	<u>101,382</u>	<u>689,626</u>	<u>\$ 719,786</u>
LIABILITIES			
Intergovernmental Payable		59,908	
Due to Other Funds		20,719	\$ 155,033
Payable To Student Groups			240,924
Accrued Salaries and Wages			324
Payroll Deductions Payable/Accrued Salaries		21,191	323,505
Total Liabilities	<u>-</u>	<u>101,818</u>	<u>\$ 719,786</u>
NET POSITION			
Held In Trust For Unemployment Claims and Other Purposes	<u>\$ 101,382</u>	<u>\$ 587,808</u>	

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Private Purpose Trust Funds	Unemployment Compensation Trust Fund
ADDITIONS		
Contributions		
Employees		\$ 49,244
District		50,000
Other	\$ 106,300	-
Total Contributions	106,300	99,244
Investment Earnings		
Interest	742	7,332
Total Investment Earnings	742	7,332
Total Additions	107,042	106,576
DEDUCTIONS		
Scholarship Awards	8,950	
Unemployment Claims	-	99,187
Total Deductions	8,950	99,187
Change in Net Position	98,092	7,389
Net Position, Beginning of Year	3,290	580,419
Net Position, End of Year	\$ 101,382	\$ 587,808

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

NOTES TO THE FINANCIAL STATEMENTS

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Westwood Regional School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. A Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) regional school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The Business Administrator/Board Secretary is the Chief Financial officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Westwood Regional School District this includes general operations, food service, summer enrichment and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

For fiscal year 2020, there were no GASB statements required to be adopted and implemented by the District.

Accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB No. 84, *Fiduciary Activities*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2021. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.
- GASB No. 87, *Leases*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022. The objective of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB No. 92, *Omnibus 2020*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022 except requirements related to GASB No. 87 and Implementation Guide No. 2019-3 are effective upon issuance. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*, the section that maybe applicable to the District will be effective beginning with the fiscal year ending June 30, 2022. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental funds and the food service enterprise fund to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs.

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary fund which is organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The District also reports the following non-major proprietary funds which are organized to be self-supporting through user charges:

The *summer enrichment fund* accounts for the activities of the District's summer enrichment program.

The *1 to 1 initiative (laptop insurance program) fund* accounts for the non-refundable deposits charged to students to repair and replenish the District's laptop computers provided to students as part of the 1 to 1 technology initiative program.

Additionally, the District reports the following fund types:

The *fiduciary trust funds* are used to account for resources legally held in trust for state unemployment insurance claims and for private donations for scholarship awards. All resources of the funds, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

The *fiduciary agency funds* account for assets held by the District as an agent for student activities and for payroll deductions and withholdings. The funds for the student activities fund are solely for noninstructional student activities that are supported and controlled by student organizations and clubs for which school administration does not have management involvement. The payroll funds are held to remit employee withholdings to respective state, federal and other agencies.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. *Cash, Cash Equivalents and Investments*

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. *Receivables*

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Building Improvements	45
Furniture, Fixtures and Equipment	5-20

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from the loss on a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the loss on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

5. *Deferred Outflows/Inflows of Resources (Continued)*

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type of item which arises only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category is the deferred amount on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

6. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation, sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated vacation, sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. *Pensions*

In the district-wide financial statements and proprietary fund types in the fund financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

8. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Gains resulting from debt refundings are classified as deferred inflows of resources and losses are reported as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Gains and losses resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. *Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2B).

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2020/20201 District budget certified for taxes.

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2C).

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2D).

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2019 audited excess surplus that was appropriated in the 2020/2021 original budget certified for taxes.

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2020 audited excess surplus that is required to be appropriated in the 2021/2022 original budget certified for taxes.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2019/2020 District budget certified for taxes.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. *Net Position/Fund Balance (Continued)*

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

10. *Fund Balance Policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Board for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. *Property Taxes*

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

3. *Tuition Revenues and Expenditures*

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2018-2019 and 2019-2020 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service and other enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On February 16, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2019/2020. Also, during 2019/2020 the Board increased the original budget by \$1,423,230. The increase was funded by the additional appropriation of capital reserve, grant awards and the reappropriation of prior year general fund encumbrances.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

B. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the reserve cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

The activity of the capital reserve for the fiscal year ended June 30, 2020 is as follows:

Balance, July 1, 2019		\$	8,810,025
Increased by:			
Interest Earnings	\$	19,351	
Deposits Approved by Board Resolution		<u>3,118,630</u>	
Total Increases			<u>3,137,981</u>
			11,948,006
Decreased by:			
Withdrawals Approved in District Budget	(1,084,000)		
Withdrawals Approved by Board Resolution	<u>(976,263)</u>		
			<u>(2,060,263)</u>
Balance, June 30, 2020		\$	<u>9,887,743</u>

\$1,422,959 of the capital reserve balance at June 30, 2020 was designated and appropriated for use in the 2020/2021 original budget certified for taxes.

C. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2020 is as follows:

Balance, July 1, 2019		-
Increased by		
Deposits Approved by Board Resolution	\$	<u>1,050,000</u>
Total Increases		<u>\$ 1,050,000</u>
Balance, June 30, 2020		<u>\$ 1,050,000</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

The activity of the emergency reserve for the fiscal year ended June 30, 2020 is as follows:

Balance, July 1, 2019		-
Increased by		
Deposits Approved by Board Resolution	\$ 582,933	
Total Increases		<u>\$ 582,933</u>
Balance, June 30, 2020		<u>\$ 582,933</u>

E. Transfers to Capital Outlay

During the 2019/2020 school year, the district transferred \$210,516 to the non-equipment capital outlay accounts. The transfer was made from the capital reserve account to supplement a capital project previously approved by the voters in the budget certified for taxes pursuant to N.J.A.C. 6A:23-8.4.

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2020 is \$1,750,000. Of this amount, \$750,000 was designated and appropriated in the 2020/2021 original budget certified for taxes and the remaining amount of \$1,000,000 is required to be appropriated in the 2021/2022 original budget certified for taxes.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2020, the book value of the Board's deposits were \$21,841,523 and bank and brokerage firm balances of the Board's deposits amounted to \$24,250,893. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash and cash equivalents" are categorized as:

Depository Account

Insured	<u>\$ 24,250,893</u>
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Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2020 none of the Board's bank balances were exposed to custodial credit risk.

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2020, the Board had no outstanding investments.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2020 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Accounts				\$ 2,184	\$ 2,184
Intergovernmental					
Federal		\$ 87,613		6,629	94,242
State	\$ 87,967	9,313	\$ 2,286,697	2,536	2,386,513
Other	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Gross Receivables	87,967	96,926	2,286,697	11,349	2,482,939
Less: Allowance for Uncollectibles	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-	-
Net Total Receivables	<u>\$ 87,967</u>	<u>\$ 96,926</u>	<u>\$ 2,286,697</u>	<u>\$ 11,349</u>	<u>\$ 2,482,939</u>

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Special Revenue Fund	
Grant Draw downs Reserved for Encumbrances	\$ 1,974
Unencumbered Grant Draw Downs	35,277
Capital Projects Fund	
Unrealized School Facilities Grants	<u>237,839</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 275,090</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2020 was as follows:

	Balance, July 1, 2019	Increases	Decreases	Balance, June 30, 2020
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction In Progress	\$ 6,516,390	\$ 14,554,288	\$ -	\$ 21,070,678
Total Capital Assets, Not Being Depreciated	<u>6,516,390</u>	<u>14,554,288</u>	<u>-</u>	<u>21,070,678</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	46,186,763	964,626		47,151,389
Machinery and Equipment	<u>6,079,454</u>	<u>305,311</u>	\$ (273,293)	<u>6,111,472</u>
Total Capital Assets Being Depreciated	<u>52,266,217</u>	<u>1,269,937</u>	<u>(273,293)</u>	<u>53,262,861</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(20,067,628)	(869,263)		(20,936,891)
Machinery and Equipment	<u>(3,329,246)</u>	<u>(421,257)</u>	273,293	<u>(3,477,210)</u>
Total Accumulated Depreciation	<u>(23,396,874)</u>	<u>(1,290,520)</u>	<u>273,293</u>	<u>(24,414,101)</u>
Total Capital Assets, Being Depreciated, Net	<u>28,869,343</u>	<u>(20,583)</u>	<u>-</u>	<u>28,848,760</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,385,733</u>	<u>\$ 14,533,705</u>	<u>\$ -</u>	<u>\$ 49,919,438</u>
	Balance, July 1, 2019	Increases	Decreases	Balance, June 30, 2020
Business-Type Activities:				
Capital Assets, being depreciated:				
Machinery and Equipment	\$ 230,335	\$ 19,411	\$ -	\$ 249,746
Total Capital Assets being depreciated	<u>230,335</u>	<u>19,411</u>	<u>-</u>	<u>249,746</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(158,916)	(9,645)	-	(168,561)
Total Accumulated Depreciation	<u>(158,916)</u>	<u>(9,645)</u>	<u>-</u>	<u>(168,561)</u>
Total Capital Assets, being depreciated, net	<u>71,419</u>	<u>9,766</u>	<u>-</u>	<u>81,185</u>
Business-Type Activities Capital Assets, net	<u>\$ 71,419</u>	<u>\$ 9,766</u>	<u>\$ -</u>	<u>\$ 81,185</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:

Instruction	
Regular Instruction	\$ 34,227
Total Instruction	<u>34,227</u>
Support Services	
Student and Instruction Related Services	52,766
General Administrative Services	64,046
Plant Operations and Maintenance	1,089,468
School Administrative Services	23,186
Pupil Transportation	<u>26,827</u>
Total Support Services	<u>1,256,293</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,290,520</u>

Business-Type Activities:

Food Service Fund	<u>\$ 9,645</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 9,645</u>

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2020:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Middle School Construction	\$ 16,775,161	2,934,839
Construction Management Services - Middle School	179,013	80,913
Corridor Window Replacement	101,704	142,346
Multipurpose Room Window Replacement	127,875	35,730
Middle School Wiring		180,642
Middle School Security System	<u>-</u>	<u>75,046</u>
Total	<u>\$ 17,183,753</u>	<u>\$ 3,449,516</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2020, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 127,326
General Fund	Payroll Agency Fund	155,033
Payroll Agency Fund	Unemployment Compensation Trust Fund	<u>20,719</u>
		<u>\$ 303,078</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund.

The District expects all interfund balances to be liquidated within one year.

Interfund transfers

	<u>Transfer In:</u>	
	<u>Capital Projects Fund</u>	<u>Total</u>
Transfer Out:		
General Fund	<u>\$ 765,747</u>	<u>\$ 765,747</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2020 are comprised of the following issues:

\$11,125,000, 2015 Refunding Bonds, due in annual installments of \$755,000 to \$1,150,000 through August 1, 2030, interest at 3.00% to 5.00%	\$10,305,000
\$7,751,000, 2018 School Bonds, due in annual installments of \$375,000 to \$400,000 through September 15, 2038, interest at 3.00% to 3.25%	<u>7,550,000</u>
Total	<u>\$17,855,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ended June 30,	<u>General Obligation Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2021	\$ 1,130,000	\$ 645,150	\$ 1,775,150
2022	1,160,000	606,875	1,766,875
2023	1,220,000	563,150	1,783,150
2024	1,260,000	517,550	1,777,550
2025	1,295,000	470,450	1,765,450
2026-2030	7,040,000	1,585,675	8,625,675
2031-2035	3,150,000	445,000	3,595,000
2036-2039	<u>1,600,000</u>	<u>104,000</u>	<u>1,704,000</u>
Total	<u>\$ 17,855,000</u>	<u>\$ 4,937,850</u>	<u>\$ 22,792,850</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2020 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 156,687,670
Less: Net Debt	<u>17,855,595</u>
Remaining Borrowing Power	<u>\$ 138,832,075</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2020, was as follows:

	<u>Balance, July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, June 30, 2020</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable	\$ 18,791,000		\$ 936,000	\$ 17,855,000	\$ 1,130,000
Unamortized Premium	1,141,905	-	166,662	975,243	-
	19,932,905		1,102,662	18,830,243	1,130,000
Total Bonds Payable	19,932,905		1,102,662	18,830,243	1,130,000
Compensated Absences	1,797,179	\$ 41,046	138,142	1,700,083	22,000
Net Pension Liability	10,428,849	-	998,568	9,430,281	-
	\$ 32,158,933	\$ 41,046	\$ 2,239,372	\$ 29,960,607	\$ 1,152,000
Governmental Activities Long-Term Liabilities	<u>\$ 32,158,933</u>	<u>\$ 41,046</u>	<u>\$ 2,239,372</u>	<u>\$ 29,960,607</u>	<u>\$ 1,152,000</u>

For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

NJSBAIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the insurance fund are on file with the School's Business Administrator.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's fiduciary trust fund for the current and previous two years:

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020	\$ 50,000	\$ 49,244	\$ 99,187	\$ 587,808
2019	None	47,900	52,225	580,419
2018	None	38,721	36,440	587,008

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2020, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2020, the District has not estimated its arbitrage earnings due to the IRS, if any.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pensions and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The following represent the membership tiers for TPAF:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

The authority to amend the provisions of the above plans rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2019 is \$18.1 billion and the plan fiduciary net position as a percentage of the total pension liability is 56.27%. The collective net pension liability of the State funded TPAF at June 30, 2019 is \$61.5 billion and the plan fiduciary net position as a percentage of total pension liability is 26.95%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2018 which were rolled forward to June 30, 2019.

Actuarial Methods and Assumptions

In the July 1, 2018 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2020.

Annual Pension Costs (APC)

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2020 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than the actuarial determined amount. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2020, 2019, and 2018 were equal to the required contributions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Annual Pension Costs (APC) (Continued)

During the fiscal years ended June 30, 2020, 2019 and 2018 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2020	\$ 509,082	\$ 5,114,423	\$ 56,369
2019	526,846	4,399,596	54,447
2018	475,550	3,205,481	41,799

In addition for fiscal years 2020, 2019 and 2018 the District contributed \$4,465, \$3,099 and \$8,269, respectively for PERS and the State contributed \$5,358, \$5,834 and \$6,625, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,763,378 during the fiscal year ended June 30, 2020 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2018 through June 30, 2019. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits (“Division”) administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2018 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2018.

At June 30, 2020, the District reported in the statement of net position (accrual basis) a liability of \$9,430,281 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2019. At June 30, 2019, the District's proportionate share was .05233 percent, which was a decrease of .00063 percent from its proportionate share measured as of June 30, 2018 of .05296 percent.

For the fiscal year ended June 30, 2020, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$510,628 for PERS. The pension contribution made by the District during the current 2019/2020 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2020 with a measurement date of the prior fiscal year end of June 30, 2019. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2020 for contributions made subsequent to the measurement date. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 169,261	\$ 41,659
Changes of Assumptions	941,648	3,273,221
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		148,861
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>478,869</u>	<u>286,419</u>
Total	<u>\$ 1,589,778</u>	<u>\$ 3,750,160</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

At June 30, 2020, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

Year Ending June 30,	Total
2021	\$ (244,285)
2022	(807,913)
2023	(702,433)
2024	(361,743)
2025	(44,008)
Thereafter	-
	<u>\$ (2,160,382)</u>

Actuarial Assumptions

The District’s total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% Based on Years of Service
Thereafter	3.00%-7.00% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
US Equity	28.00%	8.26%
Non-US Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
High Yield	2.00%	5.37%
Real Assets	2.50%	9.31%
Private Credit	6.00%	7.92%
Real Estate	7.50%	8.33%
Private Equity	12.00%	10.85%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2019	6.28%
2019	June 30, 2018	5.66%

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2018 through June 30, 2019. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2019, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2020, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$7,931,440 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2020 the State's proportionate share of the net pension liability attributable to the District is \$134,470,669. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2019. At June 30, 2019, the State's share of the net pension liability attributable to the District was .21911 percent, which was an increase of .1066 percent from its proportionate share measured as of June 30, 2018 of .21251 percent.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55% Based on Years of Service
Thereafter	2.75%-5.65% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
US Equity	28.00%	8.26%
Non-US Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
High Yield	2.00%	5.37%
Real Assets	2.50%	9.31%
Private Credit	6.00%	7.92%
Real Estate	7.50%	8.33%
Private Equity	12.00%	10.85%

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

Fiscal Year	Measurement Date	Discount Rate
2020	June 30, 2019	5.60%
2019	June 30, 2018	4.86%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit

Payments for which the Following
 Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2054
Municipal Bond Rate *	From July 1, 2054 and Thereafter

* The municipal bond return rate used is 3.50% as of the measurement date of June 30, 2019. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 5.60%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (4.60 percent) or 1-percentage-point higher (6.60 percent) than the current rate:

	1% Decrease (4.60%)	Current Discount Rate (5.60%)	1% Increase (6.60%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 158,570,682</u>	<u>\$ 134,470,669</u>	<u>\$ 114,475,269</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2019. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2019 was not provided by the pension system.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2018:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> -</u>
Total	<u>364,943</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plans. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2019 is \$41.7 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2018 which were rolled forward to June 30, 2019.

Actuarial Methods and Assumptions

In the June 30, 2018 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.28 billion to the OPEB plan in fiscal year 2019.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2020, 2019 and 2018 were \$1,897,357, \$1,995,649 and \$2,070,352, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2017 through June 30, 2018. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2020, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$2,498,737. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2020 the State's proportionate share of the OPEB liability attributable to the District is \$70,023,634. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2019 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2019. At June 30, 2019, the state's share of the OPEB liability attributable to the District was 0.17 percent, which was an increase of 0.01 percent from its proportionate share measured as of June 30, 2018 of 0.16 percent.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions

The OPEB liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases*	
PERS:	
Initial Fiscal Year Applied Through	2026
Rate	2.00% to 6.00%
Rate Thereafter	3.00% to 7.00%
TPAF:	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 3.05%
Rate Thereafter	1.55% to 3.05%
Mortality:	
PERS	Pre-retirement and Post-retirement based on Pub-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.
TPAF	Pre-retirement and Post-retirement based on Pub-2010 "Teachers" and "General" classifications respectively, headcount-weighted mortality tables with fully generational mortality improvement projections from the central year using Scale MP-2019.
Long-Term Rate of Return	2.00%

*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

For the June 30, 2019 measurement date healthcare cost trend rates for pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2015 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the plan upon retirement.

Long-Term Expected Rate of Return

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 2.00% as of June 30, 2019.

Discount Rate

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2019	3.50%
2019	June 30, 2018	3.87%

The discount rate represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2020 (measurement date June 30, 2019) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2018 Measurement Date	\$ 74,880,729
Changes Recognized for the Fiscal Year:	
Service Cost	3,150,922
Interest on the Total OPEB Liability	2,979,848
Differences Between Expected and Actual Experience	(9,946,124)
Changes of Assumptions	1,044,058
Gross Benefit Payments	(2,149,517)
Contributions from the Member	63,718
Net Changes	<u>\$ (4,857,095)</u>
Balance, June 30, 2019 Measurement Date	<u>\$ 70,023,634</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% percent in 2018 to 3.50% percent in 2019.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2019.

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.50%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current rate:

	1% Decrease (<u>2.50%</u>)	Current Discount Rate (<u>3.50%</u>)	1% Increase (<u>4.50%</u>)
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 82,725,583</u>	<u>\$ 70,023,634</u>	<u>\$ 59,933,902</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Sensitivity of OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	\$ 57,696,353	\$ 70,023,634	\$ 86,342,422

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2019. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2019 were not provided by the pension system.

F. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential school tax revenue must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For Westwood Regional School District, the District’s share of abated taxes resulting from the municipalities having entered into a tax abatement agreement is indeterminate.

NOTE 5 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the “Pandemic”) by the World Health Organization and is currently affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 5 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC (Continued)

New Jersey Governor Phil Murphy has issued multiple Executive Orders since March 16, 2020 including but not limited to aggressive social distancing measures, restrictions on local elections, restrictions on foreclosure and evictions, suspension of all elective surgeries, closing of all schools and child care centers, the commandeering of property such as medical supplies, the cessation of all non-essential construction projects, extending insurance premium grace periods, the temporary reprieve to certain at-risk inmates and the extension of the permitted statutory grace period from May 11, 2020 to June 1, 2020 for quarterly property taxes due May 1, 2020. The Board expects ongoing actions will be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19. The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. These negative impacts may reduce or negatively affect property values within the School District. The declaration of a public health emergency remains in effect as of the date of audit. As part of a planned multi-stage approach to restart the State's economy, Governor Murphy has signed a series of Executive Orders permitting the resumption of certain activities.

Because of the evolving nature of the outbreak and federal, state and local responses thereto, the Board cannot predict how the outbreak will impact the financial condition or operations of the School District, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The Board cannot predict costs associated with this or any other potential infectious disease outbreak, including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease.

NOTE 6 SUBSEQUENT EVENTS

Emergency Reserve

On July 23, 2020, the Board approved a withdrawal of \$188,738 from the Emergency Reserve as a direct result of a reduction in State aid, the increase in expenditures due to COVID prevention measures and requirements for a thorough and efficient education.

REQUIRED SUPPLEMENTARY INFORMATION PART II

BUDGETARY COMPARISON SCHEDULES

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT C-1

	<u>Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 54,049,371		\$ 54,049,371	\$ 54,049,371	
Tuition	50,000		50,000	46,547	\$ (3,453)
Rents and Royalties	21,000		21,000	12,425	(8,575)
Interest on Investments				358,961	358,961
Interest on Capital Reserve	10,000		10,000	19,351	9,351
Unrestricted Miscellaneous Revenue	87,735	-	87,735	92,603	4,868
Total Local Sources	<u>54,218,106</u>	<u>-</u>	<u>54,218,106</u>	<u>54,579,258</u>	<u>361,152</u>
State Sources					
Special Education Aid	1,734,763		1,734,763	1,734,763	
Transportation Aid	422,522		422,522	422,522	
Security Aid	55,037		55,037	55,037	
Extraordinary Aid				565,460	565,460
Additional Nonpublic Transportation Aid				1,450	1,450
TPAF Pension System Contribution (Normal Costs) (Non Budgeted)				5,024,367	5,024,367
TPAF Pension System Contribution (NCGI) (Non-Budgeted)				90,056	90,056
TPAF Pension System Contribution (Post-Retirement Medical Contribution) (Non-Budgeted)				1,897,357	1,897,357
TPAF Pension System Contribution (LTDI) (Non-Budgeted)				5,358	5,358
TPAF Social Security Reimbursements (Non-Budget)	-	-	-	1,763,378	1,763,378
Total State Sources	<u>2,212,322</u>	<u>-</u>	<u>2,212,322</u>	<u>11,559,748</u>	<u>9,347,426</u>
Federal Sources					
Medicaid Reimbursement	7,265	-	7,265	5,279	(1,986)
Total Federal Sources	<u>7,265</u>	<u>-</u>	<u>7,265.00</u>	<u>5,279</u>	<u>(1,986)</u>
Total Revenues	<u>56,437,693</u>	<u>-</u>	<u>56,437,693</u>	<u>66,144,285</u>	<u>9,706,592</u>
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	925,295	(15,470)	909,825	\$ 908,131	1,694
Grades 1-5	5,155,445	96,555	5,252,000	5,220,516	31,484
Grades 6-8	4,098,856	43,642	4,142,498	4,132,630	9,868
Grades 9-12	5,243,022	(59,200)	5,183,822	5,131,464	52,358
Regular Programs - Home Instruction					
Salaries of Teachers	51,450	(24,000)	27,450	26,881	569
Purchased Professional/Educational Services	13,000		13,000		13,000
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	88,000	(86,700)	1,300	993	307
Purchased Professional/Educational Services	15,650	200	15,850	10,145	5,705
Purchased Technical Services	2,500	(200)	2,300		2,300
Other Purchased Services	197,480	(30,619)	166,861	130,280	36,581
General Supplies	375,265	172,148	547,413	387,536	159,877
Textbooks	343,600	(23,090)	320,510	316,504	4,006
Other Objects	17,375	(1,648)	15,727	11,593	4,134
Total Regular Programs	<u>16,526,938</u>	<u>71,618</u>	<u>16,598,556</u>	<u>16,276,673</u>	<u>321,883</u>
Learning and/or Language Disabilities					
Salaries of Teachers	474,918		474,918	470,727	4,191
Other Salaries for Instruction	132,000		132,000	130,255	1,745
Purchased Professional/Educational Services	20,000		20,000	3,691	16,309
General Supplies	37,000	-	37,000	14,603	22,397
Total Learning and/or Language Disabilities	<u>663,918</u>	<u>-</u>	<u>663,918</u>	<u>619,276</u>	<u>44,642</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT C-1

	<u>Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Behavioral Disabilities					
Salaries of Teachers	\$ 75,085		\$ 75,085	\$ 75,085	
Purchased Professional/Educational Services	35,000		35,000		\$ 35,000
General Supplies	6,100	-	6,100	-	6,100
Total Behavioral Disabilities	116,185	-	116,185	75,085	41,100
Resource Room/Resource Center					
Salaries of Teachers	2,712,922	\$ 19,546	2,732,468	2,732,468	
Other Salaries for Instruction	31,765		31,765		31,765
Purchased Professional Educational Services	20,000		20,000	1,483	18,517
General Supplies	24,000	-	24,000	1,679	22,321
Total Resource Room/Resource Center	2,788,687	19,546	2,808,233	2,735,630	72,603
Autism					
Salaries of Teachers	144,700	3,122	147,822	147,821	1
Other Salaries for Instruction	132,355	18,311	150,666	150,666	
Purchased Professional Educational Services	10,000		10,000	800	9,200
General Supplies	20,000		20,000	1,130	18,870
Other Objects	1,000	-	1,000	-	1,000
Total Autism	308,055	21,433	329,488	300,417	29,071
Preschool Disabilities - Part-Time					
Salaries of Teachers	136,065	3,933	139,998	139,998	
Other Salaries for Instruction	101,649	(4,000)	97,649	36,682	60,967
Purchased Professional Educational Services	1,700		1,700		1,700
General Supplies	8,000	-	8,000	-	8,000
Total Preschool Disabilities - Part-Time	247,414	(67)	247,347	176,680	70,667
Preschool Disabilities - Full-Time					
Salaries of Teachers	171,445	7,654	179,099	179,097	2
Other Salaries for Instruction	229,769	(5,795)	223,974	166,059	57,915
Purchased Professional Educational Services	10,000	2,250	12,250	1,050	11,200
General Supplies	10,000	-	10,000	2,814	7,186
Total Preschool Disabilities - Full-Time	411,214	4,109	415,323	349,020	66,303
Home Instruction					
Purchased Professional Educational Services	40,000	(1,500)	38,500	7,304	31,196
Total Home Instruction	40,000	(1,500)	38,500	7,304	31,196
Total Special Education	4,575,473	43,521	4,618,994	4,263,412	355,582
Basic Skills/Remedial - Instruction					
Salaries of Teachers	317,690	-	317,690	274,511	43,179
Total Basic Skills/Remedial	317,690	-	317,690	274,511	43,179
Bilingual Education - Instruction					
Salaries of Teachers	376,120	-	376,120	342,283	33,837
Total Bilingual Education	376,120	-	376,120	342,283	33,837
School Sponsored Co/Extra Curricular Activities - Instruction					
Salaries	203,700		203,700	125,249	78,451
Purchased Services	7,725	(625)	7,100	7,015	85
Supplies and Materials	13,100	1,839	14,939	10,535	4,404
Other Objects	725	3,247	3,972	3,390	582
Total School Sponsored Co/Extra Curricular Activities	225,250	4,461	229,711	146,189	83,522

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT C-1

	<u>Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
School Sponsored Athletics - Instruction					
Salaries	\$ 686,249		\$ 686,249	\$ 679,443	\$ 6,806
Purchased Services	74,045		74,045	46,541	27,504
Supplies and Materials	103,500	\$ (12,357)	91,143	89,336	1,807
Other Objects	78,000	-	78,000	44,065	33,935
Total School Sponsored Athletics	<u>941,794</u>	<u>(12,357)</u>	<u>929,437</u>	<u>859,385</u>	<u>70,052</u>
Total Instruction	<u>22,963,265</u>	<u>107,243</u>	<u>23,070,508</u>	<u>22,162,453</u>	<u>908,055</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Special	433,537	127,424	560,961	543,900	17,061
Tuition to Co. Voc. School Dist.- Reg.	240,000	27,576	267,576	249,860	17,716
Tuition to Co. Voc. School Dist.- Special	56,916	24,084	81,000	81,000	-
Tuition to CSSD and Regional Day Schools	703,492	(45,496)	657,996	552,400	105,596
Tuition to Priv. Sch. for the Disabled - State	1,443,384	(133,588)	1,309,796	916,113	393,683
Tuition to Priv. Sch. Disabled & Other LEAs - Out State	24,309		24,309	24,309	-
Tuition - Other	85,000	-	85,000	14,790	70,210
Total Undistributed Expenditures - Instruction	<u>2,986,638</u>	<u>-</u>	<u>2,986,638</u>	<u>2,358,063</u>	<u>628,575</u>
Attendance and Social Work					
Salaries	1,600	-	1,600	1,500	100
Total Attendance and Social Work	<u>1,600</u>	<u>-</u>	<u>1,600</u>	<u>1,500</u>	<u>100</u>
Health Services					
Salaries	616,730	26,531	643,261	620,149	23,112
Purchased Professional and Technical Services	40,000	(2,900)	37,100	36,868	232
Other Purchased Services	315		315	97	218
Supplies and Materials	16,000	9,380	25,380	18,457	6,923
Total Health Services	<u>673,045</u>	<u>33,011</u>	<u>706,056</u>	<u>675,571</u>	<u>30,485</u>
Speech, OT, PT and Related Services					
Salaries	787,405	(10,450)	776,955	743,362	33,593
Purchased Prof. Ed. Services	253,700	120,618	374,318	312,238	62,080
Supplies and Materials	19,500	(10,917)	8,583	2,505	6,078
Total Speech, OT, PT and Related Services	<u>1,060,605</u>	<u>99,251</u>	<u>1,159,856</u>	<u>1,058,105</u>	<u>101,751</u>
Other Support Services - Students - Extraordinary Serv.					
Salaries	2,064,710	(180,125)	1,884,585	1,218,924	665,661
Purchased Prof. Ed. Services	1,158,500	(73,040)	1,085,460	704,492	380,968
Supplies and Materials	30,000	89	30,089	4,673	25,416
Total Other Supp.Serv. Student - Extraordinary Serv.	<u>3,253,210</u>	<u>(253,076)</u>	<u>3,000,134</u>	<u>1,928,089</u>	<u>1,072,045</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT C-1

	<u>Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 1,086,751	\$ (63,002)	\$ 1,023,749	\$ 969,351	\$ 54,398
Salaries of Secretarial & Clerical Assistants	113,620		113,620	113,620	
Purchased Professional-Educational Services	12,015	(4,325)	7,690	7,407	283
Other Purchased Services	5,730	(2,827)	2,903	1,474	1,429
Supplies and Materials	10,000	5,668	15,668	12,684	2,984
Other Objects	625	25	650	400	250
Total Guidance	<u>1,228,741</u>	<u>(64,461)</u>	<u>1,164,280</u>	<u>1,104,936</u>	<u>59,344</u>
Child Study Teams					
Salaries of Other Professional Staff	882,295	42,504	924,799	924,798	1
Salaries of Secretarial & Clerical Assistants	214,139	(4,366)	209,773	202,567	7,206
Purchased Professional/Educational Services	225,000	(50,000)	175,000	15,075	159,925
Other Purchased Services	22,000	105	22,105	5,749	16,356
Supplies and Materials	33,000		33,000	6,198	26,802
Other Objects	6,850	-	6,850	188	6,662
Total Child Study Teams	<u>1,383,284</u>	<u>(11,757)</u>	<u>1,371,527</u>	<u>1,154,575</u>	<u>216,952</u>
Improvement of Instr. Services					
Salaries of Supervisors of Instruction	380,724		380,724	287,830	92,894
Salaries of Other Professional Staff	254,725	(37,785)	216,940	163,351	53,589
Other Salaries	18,800		18,800	14,117	4,683
Purchased Professional-Educational Services	13,500	32,283	45,783	45,783	-
Total Other Support Services - Impvt. of Instructional Staff	<u>667,749</u>	<u>(5,502)</u>	<u>662,247</u>	<u>511,081</u>	<u>151,166</u>
Educational Media/School Library					
Salaries	278,685		278,685	270,568	8,117
Salaries of Technology Coordinators	301,665		301,665	300,758	907
Purchased Professional and Technical Services	316,358	(39,909)	276,449	272,919	3,530
Other Purchased Services	10,000	310	10,310	4,385	5,925
Supplies and Materials	304,807	79,007	383,814	345,327	38,487
Other Objects	500	200	700	186	514
Total Educational Media/School Library	<u>1,212,015</u>	<u>39,608</u>	<u>1,251,623</u>	<u>1,194,143</u>	<u>57,480</u>
Instructional Staff Training Services					
Other Salaries	8,000	(3,900)	4,100	300	3,800
Unused Vacation Payment to Terminated/Retired Staff	83,300	(83,300)			
Purchased Professional-Educational Services		81,466	81,466	54,211	27,255
Supplies and Materials	88,900	(13,605)	75,295	54,368	20,927
Total Instructional Staff Training Services	<u>180,200</u>	<u>(19,339)</u>	<u>160,861</u>	<u>108,879</u>	<u>51,982</u>
Support Services General Administration					
Salaries	624,667	5,785	630,452	630,450	2
Legal Services	150,000		150,000	103,734	46,266
Audit Fees	42,000	35,200	77,200	36,345	40,855
Architectural/Engineering Services	60,000	75,707	135,707	56,162	79,545
Other Purchased Professional Services	65,000	(20,158)	44,842	20,620	24,222
Purchased Technical Services	24,000	7,158	31,158	27,010	4,148
Communications/Telephone	213,000	15,700	228,700	144,180	84,520
BOE Other Purchased Services	32,500	(26,696)	5,804	4,432	1,372
Miscellaneous Purchased Services	80,000	34,096	114,096	81,903	32,193
General Supplies	15,000		15,000	4,486	10,514
BOE In-House Training/Meeting Supplies	3,000	(100)	2,900	132	2,768
Judgments Against the School District	45,000	16,832	61,832	87	61,745
Miscellaneous Expenditures	20,000		20,000	12,091	7,909
BOE Membership Dues and Fees	25,000	-	25,000	23,342	1,658
Total Support Services General Administration	<u>1,399,167</u>	<u>143,524</u>	<u>1,542,691</u>	<u>1,144,974</u>	<u>397,717</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT C-1

	<u>Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Support Services School Administration					
Salaries of Principals/Asst. Principals	\$ 1,574,930	\$ 11,924	\$ 1,586,854	\$ 1,571,401	\$ 15,453
Salaries of Other Professional Staff	219,244		219,244	219,243	1
Salaries of Secretarial and Clerical Assistants	607,231	39,275	646,506	646,413	93
Other Purchased Services	60,000		60,000	33,600	26,400
Supplies and Materials	41,445	(1,007)	40,438	22,310	18,128
Other Objects	7,900	(201)	7,699	1,481	6,218
Total Support Services School Administration	2,510,750	49,991	2,560,741	2,494,448	66,293
Central Services					
Salaries	583,526	(11,410)	572,116	572,116	
Purchased Professional Services	2,000	(642)	1,358		1,358
Purchased Technical Services	20,500	642	21,142	19,376	1,766
Misc. Purchased Services	12,000	1,500	13,500	3,048	10,452
Supplies and Materials	15,000	(5,700)	9,300	4,886	4,414
Miscellaneous Expenditures	5,000	5,000	10,000	1,101	8,899
Total Central Services	638,026	(10,610)	627,416	600,527	26,889
Admin Info. Tech.					
Salaries	131,967		131,967	131,967	
Purchased Professional Services	2,040	(1,282)	758		758
Purchased Technical Services	129,520	6,926	136,446	129,978	6,468
Other Purchased Services	2,000		2,000		2,000
Supplies and Materials	4,000	2,488	6,488	4,272	2,216
Total Admin Info. Tech.	269,527	8,132	277,659	266,217	11,442
Required Maintenance for School Facilities					
Salaries	413,491		413,491	337,655	75,836
Cleaning, Repair & Maintenance Services	198,900	248,769	447,669	436,977	10,692
General Supplies	155,550	23,506	179,056	150,440	28,616
Miscellaneous Expenditures	70,000	(68,550)	1,450	200	1,250
Total Allowable Maintenance for School Facilities	837,941	203,725	1,041,666	925,272	116,394
Custodial Services					
Salaries	1,346,893		1,346,893	1,269,910	76,983
Salaries of Non-Instructional Aides	110,000	(23,600)	86,400	84,960	1,440
Cleaning, Repair and Maintenance Services	141,780	(9,490)	132,290	112,018	20,272
Other Purchased Property Services	62,000		62,000	45,356	16,644
Insurance	374,000	(7,300)	366,700	365,910	790
Misc. Purchased Services	2,400	11	2,411	1,282	1,129
General Supplies	125,460	46,479	171,939	147,918	24,021
Energy (Natural Gas)	281,250	7,000	288,250	150,322	137,928
Energy (Electricity)	585,000	1,000	586,000	477,303	108,697
Energy (Gasoline)	52,000	(14,600)	37,400	15,895	21,505
Other Objects	1,000	-	1,000	490	510
Total Custodial Services	3,081,783	(500)	3,081,283	2,671,364	409,919
Care and Upkeep of Grounds					
Salaries	178,107		178,107	162,613	15,494
Cleaning, Repair & Maintenance Svc.	53,800	(9,184)	44,616	37,378	7,238
General Supplies	43,050	17,016	60,066	43,294	16,772
Other Objects	-	197	197	196	1
Total Care and Upkeep of Grounds	274,957	8,029	282,986	243,481	39,505
Security					
Salaries	60,082	26,657	86,739	78,542	8,197
Purchased Professional and Technical Services		19,904	19,904	19,894	10
Cleaning, Repair & Maintenance Svc.	92,350	(48,250)	44,100	27,731	16,369
General Supplies	39,000		39,000	20,652	18,348
Other Objects	-	900	900	881	19
Total Security	191,432	(789)	190,643	147,700	42,943

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT C-1

	<u>Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Salaries of Non-Instructional Aides	\$ 50,000	\$ (7,500)	\$ 42,500	\$ 37,178	\$ 5,322
Sal. For Pupil Trans (Between Home & Sch)-Reg.	30,000		30,000	1,742	28,258
Sal. For Pupil Trans (Between Home & Sch)-Spec. Ed	107,611		107,611	87,279	20,332
Sal. For Pupil Trans (Other than Between Home & Sch)	20,000	14,400	34,400	33,914	486
Cleaning, Repair & Maint. Services	50,000	(28,430)	21,570	21,569	1
Contracted Services - Aid In Lieu of Payments-Non Public	140,000	10,000	150,000	100,249	49,751
Contracted Services (Between Home and School) - Vendors	290,000	(25,690)	264,310	183,375	80,935
Contracted Services (Other Than Between Home and School) - Vendors	97,166	(45,159)	52,007	29,102	22,905
Contracted Services (Special Ed. Students) - Vendors	795,000	(75,946)	719,054	550,896	168,158
Transportation Supplies		243	243	165	78
Other Objects	12,000	(235)	11,765	4,138	7,627
Total Student Transportation Services	<u>1,591,777</u>	<u>(158,317)</u>	<u>1,433,460</u>	<u>1,049,607</u>	<u>383,853</u>
Unallocated Benefits- Employee Benefits					
Group Insurance	20,850		20,850	11,546	9,304
Social Security Contributions	630,000		630,000	589,769	40,231
TPAF Contributions - ERIP	500		500		500
Other Retirement Contrib.- PERS	529,424		529,424	513,547	15,877
Other Retirement Contrib.- Regular	50,000	6,370	56,370	56,369	1
Unemployment Compensation	50,000		50,000	50,000	
Workmen's Compensation	295,000		295,000	277,143	17,857
Health Benefits	9,269,515	(342,857)	8,926,658	7,722,853	1,203,805
Tuition Reimbursement	70,000	1	70,001	70,000	1
Other Employee Benefits	20,000	129,212	149,212	138,142	11,070
Total Unallocated Benefits	<u>10,935,289</u>	<u>(207,274)</u>	<u>10,728,015</u>	<u>9,429,369</u>	<u>1,298,646</u>
TPAF Pension System Contribution (Normal Costs) (Non-Budgeted)					
				5,024,367	(5,024,367)
TPAF Pension System Contribution (NCGI) (Non-Budgeted)					
				90,056	(90,056)
TPAF Pension Systems Contribution (Post Retirement Medical Contributions)(Non-Budgeted)					
				1,897,357	(1,897,357)
TPAF Pension System Contribution (LTDI) (Non-Budgeted)					
				5,358	(5,358)
Reimbursed TPAF Social Security Reimbursements (Non-Budgeted)					
	-	-	-	1,763,378	(1,763,378)
Total On-Behalf TPAF Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,780,516</u>	<u>(8,780,516)</u>
Total Undistributed Expenditures	<u>34,377,736</u>	<u>(146,354)</u>	<u>34,231,382</u>	<u>37,848,417</u>	<u>(3,617,035)</u>
Total Current Expenditures	<u>57,341,001</u>	<u>(39,111)</u>	<u>57,301,890</u>	<u>60,010,870</u>	<u>(2,708,980)</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT C-1

	Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures					
Instruction	\$ 40,835	\$ (3,889)	\$ 36,946	\$ 28,135	\$ 8,811
School-Sponsored and Other Instructional Program	10,000	12,357	22,357	20,881	1,476
Related and Extra Services	7,000	23,040	30,040	23,040	7,000
Instructional Staff Training Services	24,500	69,480	93,980	85,588	8,392
Admin Info Tech	91,000	(6,980)	84,020	70,319	13,701
Required Maintenance for School Facilities	50,000	(8,781)	41,219	18,039	23,180
Security	114,225		114,225	44,489	69,736
Care and Upkeep		14,820	14,820	14,820	
Non-Instructional Services	4,000	-	4,000	-	4,000
	341,560	100,047	441,607	305,311	136,296
Facilities Acquisition and Construction Serv.					
Architectural/Engineering Services		36,000	36,000	34,475	1,525
Other Purchased Prof. and Tech. Services	20,000	(20,000)			
Construction Services	1,064,000	303,108	1,367,108	1,165,733	201,375
Assessment for Debt Service on SDA Funding	769	-	769	769	-
	1,084,769	319,108	1,403,877	1,200,977	202,900
Total Facilities Acquisition and Construction Serv.					
Interest Deposit to Capital Reserve	10,000	-	10,000.00	-	10,000
	1,436,329	419,155	1,855,484	1,506,288	349,196
Total Capital Outlay					
Total Expenditures	58,777,330	380,044	59,157,374	61,517,158	(2,359,784)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(2,339,637)	(380,044)	(2,719,681)	4,627,127	7,346,808
Other Financing Sources (Uses)					
Capital Reserve - Transfer to Capital Projects	-	(765,747)	(765,747)	(765,747)	-
Total Other Financing Sources (Uses)	-	(765,747)	(765,747)	(765,747)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,339,637)	(1,145,791)	(3,485,428)	3,861,380	7,346,808
Fund Balance, Beginning of Year	12,748,106	-	12,748,106	12,748,106	-
Fund Balance, End of Year	\$ 10,408,469	\$ (1,145,791)	\$ 9,262,678	16,609,486	\$ 7,346,808
Recapitulation:					
Restricted Fund Balance					
Capital Reserve				8,464,784	
Capital Reserve-Designated for Subsequent Year's Expenditures - 2020/2021				1,422,959	
Maintenance Reserve				1,050,000	
Emergency Reserve				582,933	
Excess Surplus-Designated for Subsequent Year's Expenditures - 2020/2021				750,000	
Excess Surplus				1,000,000	
Committed Fund Balance					
Year-End Encumbrances				202,899	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures - 2020/2021				685,530	
Year-End Encumbrances				813,423	
Unassigned Fund Balance				1,636,958	
					16,609,486
Reconciliation to Governmental Funds Statements (GAAP):					
Less:					
2019/2020 Extraordinary Aid Not Recognized on a GAAP Basis			(565,460)		
2019/2020 State Aid Not Recognized on a GAAP Basis			(160,203)		
					(725,663)
Fund Balance per Governmental Funds (GAAP)				15,883,823	

**WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT C-2

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
State Sources	\$ 326,082	\$ (4,396)	\$ 321,686	\$ 286,715	\$ (34,971)
Federal Sources	1,025,655	221,497	1,247,152	1,013,221	(233,931)
Local	-	60,338	60,338	20,463	(39,875)
Total Revenues	<u>1,351,737</u>	<u>277,439</u>	<u>1,629,176</u>	<u>1,320,399</u>	<u>(308,777)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	172,128	(104,841)	67,287	67,287	
Other Salaries	59,958	(51,599)	8,359	8,359	
Purchased Prof./Educ. Svcs.	66,921	9,873	76,794	36,399	40,395
Tuition	744,880	27,072	771,952	771,952	
Other Purchased Services		1,860	1,860		1,860
General Supplies	182,923	15,297	198,220	159,827	38,393
Textbooks	38,394	(1,919)	36,475	36,294	181
Total Instruction	<u>1,265,204</u>	<u>(104,257)</u>	<u>1,160,947</u>	<u>1,080,118</u>	<u>80,829</u>
Support Services					
Other Salaries	10,000	66,421	76,421	48,269	28,152
Personal Services - Employee Benefits		51,089	51,089	45,323	5,766
Purchased Professional and Technical Services	76,533	194,920	271,453	137,460	133,993
Other Purchased Services		16,135	16,135	6,466	9,669
Supplies and Materials		49,892	49,892	2,763	47,129
Indirect Costs	-	3,239	3,239	-	3,239
Total Support Services	<u>86,533</u>	<u>381,696</u>	<u>468,229</u>	<u>240,281</u>	<u>227,948</u>
Total Expenditures	<u>1,351,737</u>	<u>277,439</u>	<u>1,629,176</u>	<u>1,320,399</u>	<u>308,777</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REQUIRED SUPPLEMENTARY INFORMATION PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL AND SPECIAL REVENUE FUNDS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the Special Revenue Fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary basis) revenue from the budgetary comparison schedule	(C-1) \$ 66,144,285	(C-2) \$ 1,320,399
Difference - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2019		9,895
Encumbrances, June 30, 2020		(1,974)
Certain State Aid payments recognized for GAAP purposes, not recognized for budgetary statements. (2019/2020 State Aid)	(725,663)	
Certain State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2018/2019 State Aid)	<u>798,090</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>66,216,712</u>	\$ <u>1,328,320</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) total outflows from the budgetary comparison schedule	(C-1) \$ 61,517,158	(C-2) \$ 1,320,399
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2019		9,895
Encumbrances, June 30, 2020	<u>-</u>	<u>(1,974)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>61,517,158</u>	(B-2) \$ <u>1,328,320</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Seven Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.05233%	0.05296%	0.05133%	0.04923%	0.05184%	0.05286%	0.05025%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 9,430,281	\$ 10,428,849	\$ 11,949,617	\$ 14,581,071	\$ 11,639,209	\$ 9,897,582	\$ 9,605,283
District's Covered-Employee Payroll	\$ 3,727,505	\$ 3,578,807	\$ 3,445,724	\$ 3,395,633	\$ 3,426,258	\$ 3,575,863	\$ 3,536,307
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	253%	291%	347%	429%	339%	277%	272%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27%	53.59%	48.10%	40.14%	47.92%	52.08%	48.72%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

WESTWOOD REGIONAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Seven Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 509,082	\$ 526,846	\$ 475,550	\$ 437,369	\$ 445,768	\$ 436,163	\$ 378,683
Contributions in Relation to the Contractually Required Contribution	<u>509,082</u>	<u>526,846</u>	<u>475,550</u>	<u>437,369</u>	<u>445,768</u>	<u>436,163</u>	<u>376,683</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered-Employee Payroll	\$ 3,908,422	\$ 3,578,807	\$ 3,445,724	\$ 3,395,633	\$ 3,426,258	\$ 3,426,258	\$ 3,575,863
Contributions as a Percentage of Covered-Employee Payroll	13.03%	14.72%	13.80%	12.88%	13.01%	12.20%	10.65%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Seven Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 134,470,669</u>	<u>\$ 135,194,863</u>	<u>\$ 133,763,993</u>	<u>\$ 160,852,300</u>	<u>\$ 124,770,765</u>	<u>\$ 107,340,110</u>	<u>\$ 101,325,234</u>
Total	<u>\$ 134,470,669</u>	<u>\$ 135,194,863</u>	<u>\$ 133,763,993</u>	<u>\$ 160,852,300</u>	<u>\$ 124,770,765</u>	<u>\$ 107,340,110</u>	<u>\$ 101,325,234</u>
District's Covered-Employee Payroll	\$ 24,717,953	\$ 24,048,741	\$ 22,722,196	\$ 20,732,635	\$ 20,151,772	\$ 20,246,792	\$ 19,700,425
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.95%	26.48%	25.41%	22.33%	28.74%	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last Two Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service Cost	\$ 3,150,922	\$ 3,472,423	\$ 4,208,442
Interest on Total OPEB Liability	2,979,848	3,150,037	2,705,826
Differences Between Expected and Actual Experience	(9,946,124)	(6,691,190)	
Changes of Assumptions	1,044,058	(8,592,938)	(11,292,547)
Gross Benefit Payments	(2,149,517)	(2,002,284)	(2,310,229)
Contribution from the Member	<u>63,718</u>	<u>69,202</u>	<u>85,068</u>
Net Change in Total OPEB Liability	(4,857,095)	(10,594,750)	(6,603,440)
Total OPEB Liability - Beginning	<u>74,880,729</u>	<u>85,475,479</u>	<u>92,078,919</u>
Total OPEB Liability - Ending	<u>\$ 70,023,634</u>	<u>\$ 74,880,729</u>	<u>\$ 85,475,479</u>
District's Proportionate Share of OPEB Liability	\$0	\$0	\$0
State's Proportionate Share of OPEB Liability	<u>70,023,634</u>	<u>74,880,729</u>	<u>85,475,479</u>
Total OPEB Liability - Ending	<u>\$ 70,023,634</u>	<u>\$ 74,880,729</u>	<u>\$ 85,475,479</u>
District's Covered-Employee Payroll	<u>\$ 28,445,458</u>	<u>\$ 27,627,548</u>	<u>\$ 26,167,920</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%	0%	0%

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

*The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 4.

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	IDEA		ESEA				Local Grants	Subtotal Page 2	Total
	Basic	Preschool	Title I	Title II-A	Title III	Title III Immigrant			
REVENUES									
Intergovernmental									
State								\$ 286,715	\$ 286,715
Federal	\$ 727,874	\$ 64,480	\$ 158,970	\$ 51,522	\$ 10,363	\$ 12		-	1,013,221
Local	-	-	-	-	-	-	\$ 20,463	-	20,463
Total Revenues	<u>\$ 727,874</u>	<u>\$ 64,480</u>	<u>\$ 158,970</u>	<u>\$ 51,522</u>	<u>\$ 10,363</u>	<u>\$ 12</u>	<u>\$ 20,463</u>	<u>\$ 286,715</u>	<u>\$ 1,320,399</u>
EXPENDITURES									
Instruction									
Salaries of Teachers			\$ 67,287						\$ 67,287
Other Salaries					\$ 8,359				8,359
Purchased Professional-Educational Svs.			730					\$ 35,669	36,399
Tuition	\$ 707,472	\$ 64,480							771,952
General Supplies					1,076	\$ 12	\$ 18,463	140,276	159,827
Textbooks	-	-	-	-	-	-	-	36,294	36,294
Total Instruction	<u>707,472</u>	<u>64,480</u>	<u>68,017</u>	<u>-</u>	<u>9,435</u>	<u>12</u>	<u>18,463</u>	<u>212,239</u>	<u>1,080,118</u>
Support Services									
Other Salaries			46,269				2,000		48,269
Personal Services - Employee Benefits			44,684		639				45,323
Purchased Professional and Technical Services	20,402			\$ 45,345				71,713	137,460
Other Purchased Services				6,177	289				6,466
Supplies and Materials	-	-	-	-	-	-	-	2,763	2,763
Total Support Services	<u>20,402</u>	<u>-</u>	<u>90,953</u>	<u>51,522</u>	<u>928</u>	<u>-</u>	<u>2,000</u>	<u>74,476</u>	<u>240,281</u>
Total Expenditures	<u>\$ 727,874</u>	<u>\$ 64,480</u>	<u>\$ 158,970</u>	<u>\$ 51,522</u>	<u>\$ 10,363</u>	<u>\$ 12</u>	<u>\$ 20,463</u>	<u>\$ 286,715</u>	<u>\$ 1,320,399</u>

WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Chapter 192	Chapter 193			NJ Nonpublic Aid				Subtotal Page 1
	Auxiliary Services Home Instruction	Supplemental Instruction	Examination and Classification	Corrective Speech	Technology	Nursing	Textbooks	Security	
REVENUES									
Intergovernmental									
State	\$ 1,014	\$ 567	\$ 23,971	\$ 10,117	\$ 24,677	\$ 74,476	\$ 36,294	\$ 115,599	\$ 286,715
Federal	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 1,014	\$ 567	\$ 23,971	\$ 10,117	\$ 24,677	\$ 74,476	\$ 36,294	\$ 115,599	\$ 286,715
EXPENDITURES									
Instruction									
Purchased Professional Education Services	\$ 1,014	\$ 567	\$ 23,971	\$ 10,117					\$ 35,669
Supplies and Materials					\$ 24,677			\$ 115,599	140,276
Textbooks	-	-	-	-	-	-	\$ 36,294	-	36,294
Total Instruction	1,014	567	23,971	10,117	24,677	-	36,294	115,599	212,239
Support Services									
Purchased Professional and Technical Services						\$ 71,713			71,713
Supplies and Materials	-	-	-	-	-	2,763	-	-	2,763
Total Support Services	-	-	-	-	-	74,476	-	-	74,476
Total Expenditures	\$ 1,014	\$ 567	\$ 23,971	\$ 10,117	\$ 24,677	\$ 74,476	\$ 36,294	\$ 115,599	\$ 286,715

**WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION PROGRAM AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOT APPLICABLE

CAPITAL PROJECTS FUND

WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<u>Issue/Project Title</u>	<u>Expenditures to Date</u>			<u>Prior Year Transfers</u>	<u>Cancelled</u>		<u>Unexpended Balance, June 30, 2020</u>
	<u>Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>		<u>Prior Year</u>	<u>Current Year</u>	
Numerous Physical Plant Renovations at Berkeley Elementary School, Brookside Elementary School, Jessie F. George Elementary School and Washington School; Physical Plant and Educational Renovations (Science Lab) at Westwood Jr./Sr. High School; and Physical Plant Renovations and Additions (New Cafeteria) and Educational Additions (Four New Classrooms) at Ketler Elementary School (2007 Referendum Project)	\$ 14,694,075	\$ 14,330,425		\$ (171,339)	\$ 93,352		\$ 98,959
Athletic Field at High School	3,080,000	3,251,339		171,339			
High School Façade Replacement	3,623,890	3,601,320					22,570
High School Partial Roof Replacement	2,760,152	2,274,497					485,655
Gym Floor Replacement Project	199,892	192,982					6,910
Construction of New Middle School	23,891,520	6,516,390	13,501,567				3,873,563
Replacement of Existing HVAC Units at Middle School	850,000						850,000
A-Field Refurbishment Project	765,747	-	732,168	-	-	-	33,579
	<u>\$ 49,865,276</u>	<u>\$ 30,166,953</u>	<u>\$ 14,233,735</u>	<u>\$ -</u>	<u>\$ 93,352</u>	<u>\$ -</u>	<u>\$ 5,371,236</u>
Project Balance							\$ 5,371,236
Debt Authorized Not Issued							(595)
Fund Balance - Budgetary Basis							<u>\$ 5,370,641</u>
<u>Recapitulation of Fund Balance - Budgetary Basis:</u>							
Year End Encumbrances Available for Capital Projects							\$ 3,461,063 <u>1,909,578</u>
Total Fund Balance (Budgetary Basis)- Restricted for Capital Projects							<u>\$ 5,370,641</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE YEAR FISCAL ENDED JUNE 30, 2020**

Revenues and Other Financing Sources

Other Financing Sources	
Transfer from Capital Reserve	\$ 765,747
Total Revenues and Other Financing Sources	765,747

Expenditures and Other Financing Uses

Purchased Professional and Technical Services	356,059
Construction Services	13,877,676
Total Expenditures and Other Financing Uses	14,233,735

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures (13,467,988)

Fund Balance - Beginning of Year 18,838,629

Fund Balance - End of Year \$ 5,370,641

Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:

Fund Balance, Budgetary Basis	\$ 5,370,641
Less: Unearned SDA Revenue	(237,839)
Fund Balance Per Governmental Funds (GAAP)	\$ 5,132,802

Recapitulation of Fund Balance:

Year End Encumbrances	\$ 3,461,063
Available for Capital Projects	1,671,739
Total Fund Balance - Restricted for Capital Projects	\$ 5,132,802

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - WESTWOOD JUNIOR/SENIOR HIGH SCHOOL REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer to Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Bond Proceeds	\$ 7,354,184	-	\$ (165,380)	\$ 7,188,804	\$ 7,188,879
Total Revenues and Other Financing Sources	<u>7,354,184</u>	<u>-</u>	<u>(165,380)</u>	<u>7,188,804</u>	<u>7,188,879</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	1,056,307			1,056,307	1,056,307
Construction Services	5,919,638			5,919,638	5,989,717
Supplies	142,855	-	-	142,855	142,855
Transfer to Debt Service Fund	48,568	-	-	48,568	-
Total Expenditures and Other Financing Uses	<u>7,167,368</u>	<u>-</u>	<u>-</u>	<u>7,167,368</u>	<u>7,188,879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 186,816</u>	<u>\$ -</u>	<u>\$ (165,380)</u>	<u>\$ 21,436</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5755-050-07-2000
Grant Date	N/A
Bond Issue Date	9/15/08
Bonds Authorized	\$ 9,535,798
Bonds Issues	9,535,798
Original Authorized Cost	9,535,798
Adjustment	(2,346,919)
Revised Authorized Cost	7,188,879
Percentage Increase Over Original Authorized Cost	
Percentage Completion	99%
Original Target Completion Date	
Revised Target Completion Date	2014/15

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - BERKELEY AVENUE SCHOOL REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer to Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Bond Proceeds	\$ 523,745	-	\$ (5,959)	\$ 517,786	\$ 517,786
Total Revenues and Other Financing Sources	<u>523,745</u>	<u>-</u>	<u>(5,959)</u>	<u>517,786</u>	<u>517,786</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	71,054	-	-	71,054	71,054
Construction Services	443,102	-	-	443,102	446,732
Transfer to Debt Service Fund	3,630	-	-	3,630	-
Total Expenditures and Other Financing Uses	<u>517,786</u>	<u>-</u>	<u>-</u>	<u>517,786</u>	<u>517,786</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 5,959</u>	<u>\$ -</u>	<u>\$ (5,959)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5755-060-07-2000				
Grant Date	N/A				
Bond Issue Date	9/15/08				
Bonds Authorized	\$ 512,710				
Bonds Issued	512,710				
Original Authorized Cost	512,710				
Adjustment	5,076				
Revised Authorized Cost	517,786				
Percentage Increase Over Original Authorized Cost	-				
Percentage Completion	100%				
Original Target Completion Date	-				
Revised Target Completion Date	2013/2014				

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - BROOKSIDE ELEMENTARY SCHOOL REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 626,120	-	\$ 626,120	\$ 626,120
Total Revenues and Other Financing Sources	<u>626,120</u>	<u>-</u>	<u>626,120</u>	<u>626,120</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	60,819		60,819	60,819
Construction Services	553,696		553,696	565,301
Transfer to Debt Service Fund	<u>11,605</u>	<u>-</u>	<u>11,605</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>626,120</u>	<u>-</u>	<u>626,120</u>	<u>626,120</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-062-07-2000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 555,325			
Bonds Issued	555,325			
Original Authorized Cost	555,325			
Adjustment	70,795			
Revised Authorized Cost	626,120			
Percentage Increase Over Original Authorized Cost	13%			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - JESSIE F. GEORGE ELEMENTARY SCHOOL REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 289,048	-	\$ 289,048	\$ 289,048
Total Revenues and Other Financing Sources	<u>289,048</u>	<u>-</u>	<u>289,048</u>	<u>289,048</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	31,703		31,703	32,000
Construction Services	253,972		253,972	257,048
Transfer to Debt Service Fund	<u>3,373</u>	<u>-</u>	<u>3,373</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>289,048</u>	<u>-</u>	<u>289,048</u>	<u>289,048</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-065-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 527,125			
Bonds Issued	527,125			
Original Authorized Cost	527,125			
Adjustment	(238,077)			
Revised Authorized Cost	289,048			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - KETLER ELEMENTARY SCHOOL ADDITION AND REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 5,632,232	-	\$ 5,632,232	\$ 5,632,232
Total Revenues and Other Financing Sources	<u>5,632,232</u>	<u>-</u>	<u>5,632,232</u>	<u>5,632,232</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	734,077		734,077	742,232
Construction Services	4,718,403		4,718,403	4,800,000
General Supplies	87,302		87,302	90,000
Transfer to Debt Service Fund	<u>15,002</u>	<u>-</u>	<u>15,002</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>5,554,784</u>	<u>-</u>	<u>5,554,784</u>	<u>5,632,232</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 77,448</u>	<u>\$ -</u>	<u>\$ 77,448</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-070-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 5,129,379			
Bonds Issued	5,129,379			
Original Authorized Cost	5,129,379			
Adjustment	502,853			
Revised Authorized Cost	5,632,232			
Percentage Increase Over Original Authorized Cost	10%			
Percentage Completion	98%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - WASHINGTON ELEMENTARY SCHOOL REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 268,671	-	\$ 268,671	\$ 268,671
Total Revenues and Other Financing Sources	<u>268,671</u>	<u>-</u>	<u>268,671</u>	<u>268,671</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	32,655		32,655	32,655
Construction Services	224,842		224,842	236,016
Transfer to Debt Service Fund	11,174	-	11,174	-
Total Expenditures and Other Financing Uses	<u>268,671</u>	<u>-</u>	<u>268,671</u>	<u>268,671</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-080-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 411,738			
Bonds Issued	411,663			
Original Authorized Cost	411,738			
Adjustment	(143,067)			
Revised Authorized Cost	268,671			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

WESTWOOD REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
 BUDGETARY BASIS
 ATHLETIC FIELD AT HIGH SCHOOL
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer from Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Transfer from Capital Reserve	\$ 1,102,000			\$ 1,102,000	\$ 1,102,000
Bond Proceeds	<u>1,978,000</u>	<u>-</u>	<u>\$ 171,339</u>	<u>2,149,339</u>	<u>2,149,339</u>
Total Revenues and Other Financing Sources	<u>3,080,000</u>	<u>-</u>	<u>171,339</u>	<u>3,251,339</u>	<u>3,251,339</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	<u>3,251,339</u>	<u>-</u>	<u>-</u>	<u>3,251,339</u>	<u>3,251,339</u>
Total Expenditures and Other Financing Uses	<u>3,251,339</u>	<u>-</u>	<u>-</u>	<u>3,251,339</u>	<u>3,251,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (171,339)</u>	<u>\$ -</u>	<u>\$ 171,339</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5755-065-09-1002				
Grant Date	5/1/2009				
Bond Authorization Date					
Bonds Authorized					
Bonds Issues/Transfers	\$ 2,149,339				
Original Authorized Cost	3,080,000				
Adjustment	171,339				
Revised Authorized Cost	3,251,339				
Percentage Increase Over Original Authorized Cost	6%				
Percentage Completion	100%				
Original Target Completion Date	2011/2012				
Revised Target Completion Date	2012/2013				

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL FAÇADE REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 1,773,954		\$ 1,773,954	\$ 1,773,954
Transfers from Capital Outlay	667,300		667,300	667,300
SDA (Regular Operating District) Grant	<u>1,182,636</u>	<u>-</u>	<u>1,182,636</u>	<u>1,182,636</u>
 Total Revenues and Other Financing Sources	 <u>3,623,890</u>	 <u>-</u>	 <u>3,623,890</u>	 <u>3,623,890</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	208,890		208,890	208,890
Construction Services	<u>3,392,430</u>	<u>-</u>	<u>3,392,430</u>	<u>3,415,000</u>
 Total Expenditures and Other Financing Uses	 <u>3,601,320</u>	 <u>-</u>	 <u>3,601,320</u>	 <u>3,623,890</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>\$ 22,570</u>	 <u>\$ -</u>	 <u>\$ 22,570</u>	 <u>\$ -</u>
Additional Project Information:				
Project Number	5755-050-14-1001			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 2,956,590			
Adjustment	667,300			
Revised Authorized Cost	3,623,890			
 Percentage Increase Over Original Authorized Cost	23%			
Percentage Completion	99%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2017/18			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL PARTIAL ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 1,656,091		\$ 1,656,091	\$ 1,656,091
SDA (Regular Operating District) Grant	<u>1,104,061</u>	<u>-</u>	<u>1,104,061</u>	<u>1,104,061</u>
Total Revenues and Other Financing Sources	<u>2,760,152</u>	<u>-</u>	<u>2,760,152</u>	<u>2,760,152</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	136,800		136,800	136,800
Construction Services	<u>2,137,697</u>	<u>-</u>	<u>2,137,697</u>	<u>2,623,352</u>
Total Expenditures and Other Financing Uses	<u>2,274,497</u>	<u>-</u>	<u>2,274,497</u>	<u>2,760,152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 485,655</u>	<u>\$ -</u>	<u>\$ 485,655</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-050-14-1002			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 2,760,152			
Adjustment				
Revised Authorized Cost	2,760,152			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	82%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2017/18			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
GYM FLOOR REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 199,892	-	\$ 199,892	\$ 199,892
Total Revenues and Other Financing Sources	<u>199,892</u>	<u>-</u>	<u>199,892</u>	<u>199,892</u>
Expenditures and Other Financing Uses				
Construction Services	<u>192,982</u>	<u>-</u>	<u>192,982</u>	<u>199,892</u>
Total Expenditures and Other Financing Uses	<u>192,982</u>	<u>-</u>	<u>192,982</u>	<u>199,892</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 6,910</u>	<u>\$ -</u>	<u>\$ 6,910</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 199,892			
Adjustment				
Revised Authorized Cost	199,892			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	97%			
Original Target Completion Date	2017/18			
Revised Target Completion Date	2017/18			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
CONSTRUCTION OF NEW MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	7,751,000		\$ 7,751,000	\$ 7,751,520
Transfer from Debt Service Fund				
Capital Reserve	13,097,000		13,097,000	13,097,000
Debt Service State Aid	<u>3,043,000</u>	<u>-</u>	<u>3,043,000</u>	<u>3,043,000</u>
Total Revenues and Other Financing Sources	<u>23,891,000</u>	<u>-</u>	<u>23,891,000</u>	<u>23,891,520</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 2,240,755	\$ 318,034	2,558,789	4,664,054
Construction Services	<u>4,275,635</u>	<u>13,183,533</u>	<u>17,459,168</u>	<u>19,227,466</u>
Total Expenditures and Other Financing Uses	<u>6,516,390</u>	<u>13,501,567</u>	<u>20,017,957</u>	<u>23,891,520</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 17,374,610</u>	<u>\$ (13,501,567)</u>	<u>\$ 3,873,043</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	12/12/2017			
Bonds Authorized	\$ 23,891,520			
Bonds Issued	\$ 7,751,000			
Original Authorized Cost	\$ 23,891,520			
Adjustment	-			
Revised Authorized Cost	23,891,520			
Percentage Increase Over Original Authorized Cost	0%			
Percentage Completion	84%			
Original Target Completion Date	2020/21			
Revised Target Completion Date	2020/21			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
REPLACEMENT OF EXISTING HVAC UNITS AT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	850,000	\$ -	\$ 850,000	\$ 850,000
Total Revenues and Other Financing Sources	850,000	-	850,000	850,000
Expenditures and Other Financing Uses				
Construction Services	-	-	-	850,000
Total Expenditures and Other Financing Uses	-	-	-	850,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 850,000	\$ -	\$ 850,000	\$ -
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 850,000			
Adjustment	-			
Revised Authorized Cost	850,000			
Percentage Increase Over Original Authorized Cost	0%			
Percentage Completion	0%			
Original Target Completion Date	2020/21			
Revised Target Completion Date	2020/21			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
A-FIELD REFURBISHMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	-	\$ 765,747	\$ 765,747	\$ 765,747
Total Revenues and Other Financing Sources	-	765,747	765,747	765,747
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services		38,025	38,025	39,000
Construction Services	-	694,143	694,143	726,747
Total Expenditures and Other Financing Uses	-	732,168	732,168	765,747
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 33,579	\$ 33,579	\$ -
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$	765,747		
Adjustment		-		
Revised Authorized Cost		765,747		
Percentage Increase Over Original Authorized Cost		0%		
Percentage Completion		96%		
Original Target Completion Date		2020/21		
Revised Target Completion Date		2020/21		

PROPRIETARY FUNDS

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020**

	Summer Enrichment Program	1:1 Initiative	Total Non-Major Enterprise Funds
ASSETS			
Cash and Cash Equivalents	\$ 34,222	\$ 43,836	\$ 78,058
Total Assets	<u>34,222</u>	<u>43,836</u>	<u>78,058</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	-	-	-
Unearned Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Unrestricted	<u>34,222</u>	<u>43,836</u>	<u>78,058</u>
Total Net Position	<u>\$ 34,222</u>	<u>\$ 43,836</u>	<u>\$ 78,058</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Summer Enrichment Program</u>	<u>1:1 Initiative</u>	<u>Total Non-Major Enterprise Funds</u>
OPERATING REVENUES			
Charges for Services			
Program Fees	\$ 35,530	\$ 28,440	\$ 63,970
	<u>35,530</u>	<u>28,440</u>	<u>63,970</u>
Total Operating Revenues			
OPERATING EXPENSES			
Salaries and Wages	34,884		34,884
Supplies and Materials	407	10,915	11,322
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
	<u>35,291</u>	<u>10,915</u>	<u>46,206</u>
Total Operating Expenses			
Operating Income	<u>239</u>	<u>17,525</u>	<u>17,764</u>
NON-OPERATING REVENUES			
Interest and Investment Income	<u>-</u>	<u>277</u>	<u>277</u>
	<u>-</u>	<u>277</u>	<u>277</u>
Total Non-Operating Revenues			
Change in Net Position	<u>239</u>	<u>17,802</u>	<u>18,041</u>
Total Net Position, Beginning of Year	<u>33,983</u>	<u>26,034</u>	<u>60,017</u>
Total Net Position, End of Year	<u>\$ 34,222</u>	<u>\$ 43,836</u>	<u>\$ 78,058</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Summer Enrichment Program	1:1 Initiative	Total Non-Major Enterprise Funds
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 6,075	\$ 28,440	\$ 34,515
Cash Payments for Employees			
Salaries & Benefits	(34,884)		(34,884)
Cash Payments for Suppliers for Goods and Services	<u>(3,432)</u>	<u>(11,205)</u>	<u>(14,637)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(32,241)</u>	<u>17,235</u>	<u>(15,006)</u>
Cash Flows from Investing Activities			
Interest Received	<u>-</u>	<u>277</u>	<u>277</u>
Net Cash Provided by Investing Activities	<u>-</u>	<u>277</u>	<u>277</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(32,241)	17,512	(14,729)
Cash and Cash Equivalents, Beginning of Year	<u>66,463</u>	<u>26,324</u>	<u>92,787</u>
Cash and Cash Equivalents, End of Year	<u>\$ 34,222</u>	<u>\$ 43,836</u>	<u>\$ 78,058</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	<u>\$ 239</u>	<u>\$ 17,525</u>	<u>\$ 17,764</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities			
Changes in Assets and Liabilities			
Increase/(Decrease) in Accounts Payable	(3,025)	(290)	(3,315)
Increase/(Decrease) in Unearned Revenue	<u>(29,455)</u>	<u>-</u>	<u>(29,455)</u>
Total Adjustments	<u>(32,480)</u>	<u>(290)</u>	<u>(32,770)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (32,241)</u>	<u>\$ 17,235</u>	<u>\$ (15,006)</u>

FIDUCIARY FUNDS

**WESTWOOD REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2020**

	<u>Agency</u>		
	<u>Student</u>		
	<u>Activity</u>	<u>Payroll</u>	<u>Total</u>
ASSETS			
Cash	\$ 240,924	\$ 458,143	\$ 699,067
Due from Other Funds	-	20,719	20,719
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 240,924</u>	<u>\$ 478,862</u>	<u>\$ 719,786</u>
LIABILITIES			
Due to Student Groups	\$ 240,924		\$ 240,924
Payroll Deductions Payable/Accrued Salaries		\$ 323,505	323,505
Accrued Salaries and Wages		324	324
Due to Other Funds	-	155,033	155,033
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 240,924</u>	<u>\$ 478,862</u>	<u>\$ 719,786</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**WESTWOOD REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<u>School</u>	<u>Balance July 1, 2019</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2020</u>
ELEMENTARY SCHOOLS				
Berkeley Avenue	\$ 6,682	\$ 6,731	\$ 1,610	\$ 11,803
Brookside Elementary	5,470	8,404	5,053	8,821
Washington	306	12,508	8,879	3,935
Jessie F. George	24,920	3,032	682	27,270
MIDDLE SCHOOL	49,378	16,090	26,598	38,870
Jr./SR. HIGH SCHOOL				
Central	123,089	111,724	92,376	142,437
ATHLETICS				
Athletic Fund	7,840	65,299	65,351	7,788
Total	\$ 217,685	\$ 223,788	\$ 200,549	\$ 240,924

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Balance, July 1, 2019</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2020</u>
Payroll Deductions and Withholdings	\$ 278,731	\$ 15,906,107	\$ 15,861,333	\$ 323,505
Accrued Salaries and Wages	(5,731)	19,588,122	19,582,067	324
Due from/to Other Funds				
General Fund	153,625	5,926	4,518	155,033
Unemployment Trust Fund	(20,719)	-	-	(20,719)
	<u>\$ 405,906</u>	<u>\$ 35,500,155</u>	<u>\$ 35,447,918</u>	<u>\$ 458,143</u>

LONG-TERM DEBT

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2019</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2020</u>
			<u>Date</u>	<u>Amount</u>					
2016 Refunding Bonds	4/7/2016	11,125,000	8/1/2020	\$ 755,000	3.000%	\$11,040,000		\$ 735,000	\$ 10,305,000
			8/1/2021	785,000	4.000%				
			8/1/2022	820,000	4.000%				
			8/1/2023	860,000	4.000%				
			8/1/2024	895,000	4.000%				
			8/1/2025	930,000	4.000%				
			8/1/2026	965,000	4.000%				
			8/1/2027	1,005,000	4.000%				
			8/1/2028	1,045,000	4.000%				
			8/1/2029	1,095,000	5.000%				
			8/1/2030	1,150,000	5.000%				
2018 School Bonds	9/20/2018	7,751,000	9/15/2020-2021	375,000	3.000%	<u>7,751,000</u>	\$ -	<u>201,000</u>	<u>7,550,000</u>
			9/15/2022-2025	400,000	3.000%				
			9/15/2026-2034	400,000	3.125%				
			9/15/2035-2038	400,000	3.250%				
						<u>\$18,791,000</u>	<u>\$ -</u>	<u>\$ 936,000</u>	<u>\$ 17,855,000</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Not Applicable

**WESTWOOD REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget with Actual</u>
REVENUES:					
Local Sources:					
Property Tax Levy	\$ 1,300,061		\$ 1,300,061	\$ 1,300,061	
State Sources					
Debt Service Aid	429,247		429,247	429,247	-
Total Revenues	<u>1,729,308</u>	<u>-</u>	<u>1,729,308</u>	<u>1,729,308</u>	<u>-</u>
EXPENDITURES:					
Debt Service:					
Redemption of Principal	936,000		936,000	936,000	
Interest on Bonds	793,308	-	793,308	793,307	1
Total Regular Debt Service	<u>1,729,308</u>	<u>-</u>	<u>1,729,308</u>	<u>1,729,307</u>	<u>1</u>
Total Expenditures	<u>1,729,308</u>	<u>-</u>	<u>1,729,308</u>	<u>1,729,307</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Fund Balance, Beginning of Year	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

STATISTICAL SECTION

This part of the Westwood Regional School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Exhibits

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

WESTWOOD REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30									
	2011 (Restated)	2012 (Restated)	2013 (Restated)	2014 (Restated)	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in Capital Assets	\$ 7,766,635	\$ 8,180,923	\$ 9,080,545	\$ 11,757,643	\$ 14,116,063	\$ 16,641,633	\$ 17,586,138	\$ 21,747,405	\$ 23,987,704	\$ 35,646,139
Restricted	3,056,948	5,411,876	7,928,963	10,573,362	13,926,269	16,155,316	19,719,192	19,073,655	19,560,931	12,098,619
Unrestricted	1,178,506	2,780,044	2,550,117	(7,427,901)	(7,960,599)	(7,639,332)	(8,810,772)	(10,149,087)	(10,623,531)	(8,615,645)
Total governmental activities net position	\$ 12,002,089	\$ 16,372,843	\$ 19,559,625	\$ 14,903,104	\$ 20,081,733	\$ 25,157,617	\$ 28,494,558	\$ 30,671,973	\$ 32,925,104	\$ 39,129,113
Business-Type Activities										
Net Investment in Capital Assets	\$ 62,625	\$ 39,001	\$ 73,125	\$ 25,266	\$ 82,203	\$ 70,157	\$ 79,730	\$ 80,376	\$ 71,419	\$ 81,185
Restricted										
Unrestricted	65,140	86,531	97,871	127,755	134,374	164,967	214,409	257,741	332,987	301,201
Total business-type activities net position	\$ 127,765	\$ 125,532	\$ 170,996	\$ 153,021	\$ 216,577	\$ 235,124	\$ 294,139	\$ 338,117	\$ 404,406	\$ 382,386
District-Wide										
Net Investment in Capital Assets	\$ 7,829,260	\$ 8,219,924	\$ 9,153,670	\$ 11,782,909	\$ 14,198,266	\$ 16,711,790	\$ 17,665,868	\$ 21,827,781	\$ 24,059,123	\$ 35,727,324
Restricted	3,056,948	5,411,876	7,928,963	10,573,362	13,926,269	16,155,316	19,719,192	19,073,655	19,560,931	12,098,619
Unrestricted	1,243,646	2,866,575	2,647,988	(7,300,146)	(7,826,225)	(7,474,365)	(8,596,363)	(9,891,346)	(10,290,544)	(8,314,444)
Total district net position	\$ 12,129,854	\$ 16,498,375	\$ 19,730,621	\$ 15,056,125	\$ 20,298,310	\$ 25,392,741	\$ 28,788,697	\$ 31,010,090	\$ 33,329,510	\$ 39,511,499

Note 1 - Net Position at June 30, 2011 is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and GASB Statement No. 65, "Items Previously Reported in Assets and Liabilities".

Note 2 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Source: District's financial statements

WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses		(Restated)								
Governmental Activities										
Instruction										
Regular	\$ 18,029,788	\$ 18,860,854	\$ 19,917,888	\$ 19,192,579	\$ 22,866,004	\$ 24,441,641	\$ 28,300,446	\$ 30,155,736	\$ 28,600,722	\$ 29,395,538
Special Education	7,404,014	7,176,908	7,206,143	7,652,800	8,573,422	8,416,625	10,232,995	10,222,353	10,574,343	8,177,953
Other Instruction	1,087,521	1,104,763	1,303,308	1,533,324	1,530,383	1,490,307	1,468,680	1,434,862	1,076,096	1,180,931
School Sponsored Activities and Athletics	1,101,902	1,303,621	1,191,861	1,219,388	1,320,124	1,426,941	1,465,923	1,615,720	1,537,639	1,401,311
Support Services:										
Student & Instruction Related Services	8,810,924	9,632,234	10,469,502	9,996,396	10,675,895	11,929,533	12,326,470	12,511,438	11,785,211	11,509,188
School Administrative Services	2,994,751	2,869,580	3,008,414	2,997,858	3,352,217	3,421,124	3,986,266	4,201,979	3,989,512	4,192,550
General Administrative	1,058,664	895,101	994,148	883,832	1,130,717	1,313,684	1,390,777	1,790,462	1,564,005	1,749,819
Plant Operations and Maintenance	4,169,055	4,297,045	4,341,530	4,980,108	5,127,740	5,355,556	5,704,717	5,927,867	6,842,418	5,943,977
Pupil Transportation	1,603,920	1,400,947	1,458,013	1,449,545	1,334,608	1,402,650	1,453,690	1,506,860	1,289,167	1,145,355
Other Support Services	1,037,502	1,055,595	1,129,302	924,881	936,045	1,017,308	977,767	983,632	1,159,143	1,169,818
Interest on Long-Term Debt	756,321	676,550	649,226	621,983	597,394	628,127	441,592	616,116	615,149	622,288
Loss on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	48,054,362	49,273,198	51,669,335	51,452,694	57,444,549	60,843,496	67,749,323	70,967,025	69,033,405	66,488,728
Business-Type Activities:										
Food Service	795,126	847,148	817,588	855,312	798,375	920,552	930,915	985,937	1,052,198	847,640
Summer Enrichment	23,753	29,913	29,660	29,276	29,276	27,416	28,625	51,315	40,215	46,206
Total Business-Type Activities Expense	818,879	877,061	847,248	884,588	827,651	947,968	959,540	1,037,252	1,092,413	893,846
Total District Expenses	\$ 48,873,241	\$ 50,150,259	\$ 52,516,583	\$ 52,337,282	\$ 58,272,200	\$ 61,791,464	\$ 68,708,863	\$ 72,004,277	\$ 70,125,818	\$ 67,382,574
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	\$ 63,826	\$ 59,486	\$ 49,020	\$ 49,400	\$ 68,939	\$ 48,700	\$ 52,500	\$ 92,070	\$ 49,018	\$ 46,547
Rentals	26,867	28,235	23,318	18,994	28,560	21,513	21,601	22,320	28,967	12,425
Operating Grants and Contributions	6,133,493	6,986,985	8,048,356	7,747,818	12,683,456	14,991,830	19,289,182	20,369,013	17,614,969	16,581,085
Capital Grants and Contributions	-	-	-	324,225	1,076,388	985,476	69,098	4,208	-	-
Total Governmental Activities Program Revenues	6,224,186	7,074,706	8,120,694	8,140,437	13,857,343	16,047,519	19,432,381	20,487,611	17,692,954	16,640,057
Business-Type Activities:										
Charges for Services										
Food Service	652,930	695,456	662,380	683,450	683,450	740,990	768,851	824,078	880,319	617,504
Summer Enrichment	22,875	38,975	37,870	28,325	28,325	28,255	41,290	48,000	66,107	63,970
Operating Grants and Contributions	136,205	139,793	146,338	178,290	178,290	196,636	206,571	206,151	206,599	187,071
Total Business-Type Activities Program Revenues	812,010	874,224	846,588	890,065	890,065	965,881	1,016,712	1,078,229	1,153,025	868,545
Total District Program Revenues	\$ 7,036,196	\$ 7,948,930	\$ 8,967,282	\$ 9,030,502	\$ 14,747,408	\$ 17,013,400	\$ 20,449,093	\$ 21,565,840	\$ 18,845,979	\$ 17,508,602
Net (Expense)/Revenue										
Governmental Activities	\$ (41,830,176)	\$ (42,198,492)	\$ (43,548,641)	\$ (43,312,257)	\$ (43,587,206)	\$ (44,795,977)	\$ (48,316,942)	\$ (50,479,414)	\$ (51,340,451)	\$ (49,848,671)
Business-Type Activities	(6,869)	(2,837)	(660)	5,477	62,414	17,913	57,172	40,977	60,612	(25,301)
Total District-Wide Net Expense	\$ (41,837,045)	\$ (42,201,329)	\$ (43,549,301)	\$ (43,306,780)	\$ (43,524,792)	\$ (44,778,064)	\$ (48,259,770)	\$ (50,438,437)	\$ (51,279,839)	\$ (49,873,972)

WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2019
		(Restated)								
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, net	\$ 44,780,055	\$ 45,674,917	\$ 46,314,222	\$ 46,550,241	\$ 47,481,245	\$ 48,430,869	\$ 50,021,078	\$ 51,021,500	\$ 52,679,699	\$ 54,049,371
Taxes Levied for Debt Service	1,097,169	1,223,912	882,294	880,072	877,348	784,276	842,135	861,411	1,026,482	1,300,061
Unrestricted Grants and Contributions	147,699	-	-	2,180	52,774	56,730	82,201	83,193	6,352	-
Federal and State Aid - Restricted	28,245	54,915	160,505	166,195	173,687	180,747	217,877	190,657	3,077,998	232,333
Investment Earnings	103,223	89,397	69,207	77,701	66,461	72,137	116,501	204,098	547,432	378,312
Miscellaneous Income	99,908	-	234,674	80,836	114,320	347,102	374,091	295,970	74,606	92,603
Transfers	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>46,256,299</u>	<u>47,043,141</u>	<u>47,660,902</u>	<u>47,757,225</u>	<u>48,765,835</u>	<u>49,871,861</u>	<u>51,653,883</u>	<u>52,656,829</u>	<u>57,412,569</u>	<u>56,052,680</u>
Business-Type Activities:										
Investment Earnings	1,008	604	940	1,142	1,142	634	1,843	3,001	8,880	3,281
Transfers	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	<u>1,008</u>	<u>604</u>	<u>940</u>	<u>1,142</u>	<u>1,142</u>	<u>634</u>	<u>1,843</u>	<u>3,001</u>	<u>8,880</u>	<u>3,281</u>
Total District-Wide	<u>\$ 46,257,307</u>	<u>\$ 47,043,745</u>	<u>\$ 47,661,842</u>	<u>\$ 47,758,367</u>	<u>\$ 48,766,977</u>	<u>\$ 49,872,495</u>	<u>\$ 51,655,726</u>	<u>\$ 52,659,830</u>	<u>\$ 57,421,449</u>	<u>\$ 56,055,961</u>
Change in Net Position										
Governmental Activities	\$ 4,426,123	\$ 4,844,649	\$ 4,112,261	\$ 4,444,968	\$ 5,178,629	\$ 5,075,884	\$ 3,336,941	\$ 2,177,415	\$ 6,072,118	\$ 6,204,009
Business-Type Activities	(5,861)	(2,233)	280	6,619	63,556	18,547	59,015	43,978	69,492	(22,020)
Total District	<u>\$ 4,420,262</u>	<u>\$ 4,842,416</u>	<u>\$ 4,112,541</u>	<u>\$ 4,451,587</u>	<u>\$ 5,242,185</u>	<u>\$ 5,094,431</u>	<u>\$ 3,395,956</u>	<u>\$ 2,221,393</u>	<u>\$ 6,141,610</u>	<u>\$ 6,181,989</u>

Source: District's financial statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	Fiscal Year Ended June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Restricted	\$ 4,074,003	\$ 7,661,874	\$ 9,087,899	\$ 10,328,254	\$ 12,900,030	\$ 17,120,281	\$ 20,653,911	\$ 20,801,746	\$ 10,316,678	\$ 13,270,676
Committed	30,000	57,950	-	-	-	-	-	-	-	202,899
Assigned	748,848	1,063,932	917,968	1,345,035	1,174,435	1,747,435	1,403,414	1,215,009	668,515	1,498,953
Unassigned	913,300	853,466	877,374	868,900	867,411	847,827	900,366	977,310	964,826	911,295
Total General Fund	<u>\$ 5,766,151</u>	<u>\$ 9,637,222</u>	<u>\$ 10,883,241</u>	<u>\$ 12,542,189</u>	<u>\$ 14,941,876</u>	<u>\$ 19,715,543</u>	<u>\$ 22,957,691</u>	<u>\$ 22,994,065</u>	<u>\$ 11,950,019</u>	<u>\$ 15,883,823</u>
All Other Governmental Funds										
Reserved										
Restricted	\$ 2,418,309	\$ 186,479	\$ 1,282,130	\$ 1,935,988	\$ 2,638,452	\$ 633,919	\$ 664,165	\$ (505,405)	\$ 18,600,790	\$ 5,132,803
Unreserved	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 2,418,309</u>	<u>\$ 186,479</u>	<u>\$ 1,282,130</u>	<u>\$ 1,935,988</u>	<u>\$ 2,638,452</u>	<u>\$ 633,919</u>	<u>\$ 664,165</u>	<u>\$ (505,405)</u>	<u>\$ 18,600,790</u>	<u>\$ 5,132,803</u>

Source: District's financial statements

WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Property Tax Levy	\$ 45,877,224	\$ 46,555,200	\$ 47,196,516	\$ 47,430,313	\$ 48,358,593	\$ 49,215,145	\$ 50,863,213	\$ 51,882,911	\$ 53,706,181	\$ 55,349,432
Tuition Charges	63,826	59,486	49,020	49,400	68,939	48,700	52,500	92,070	49,018	46,547
Interest Earnings	103,223	54,915	69,207	77,701	66,461	72,137	116,501	204,098	547,432	378,312
Miscellaneous	244,998	250,846	480,686	281,665	180,552	425,724	443,895	241,736	146,325	125,492
State Sources	4,638,198	6,035,906	7,069,175	7,131,039	8,339,140	9,163,412	8,697,179	9,896,982	14,216,431	12,357,017
Federal Sources	1,553,016	1,161,494	916,992	927,544	900,851	1,012,981	1,058,700	1,027,951	1,047,114	1,017,540
Total Revenue	52,480,485	54,117,847	55,781,596	55,897,662	57,914,536	59,938,099	61,231,988	63,345,748	69,712,501	69,274,340
Expenditures										
Instruction										
Regular Instruction	18,272,983	18,879,067	19,850,236	19,141,564	19,882,991	20,830,282	22,379,755	24,459,613	25,384,064	27,191,207
Special Education Instruction	7,404,014	7,176,908	7,200,000	7,647,425	7,921,041	7,606,512	8,733,736	8,896,501	9,759,855	8,017,734
Other Special Instruction										
Vocational Education	262,093	279,335								
Other Instruction	921,032	1,299,324	1,432,111	1,531,793	1,335,505	1,275,778	1,171,768	1,174,004	958,530	1,089,236
School Sponsored Activities and Athletics	1,101,902	1,303,621	1,189,877	1,217,979	1,265,374	1,341,463	1,313,458	1,435,429	1,452,115	1,369,118
Support Services:										
Tuition										
Student & Inst. Related Services	8,647,644	9,146,205	10,023,099	9,914,369	9,903,309	10,899,279	10,673,229	10,873,196	10,929,623	11,010,900
General Administration	1,044,411	866,112	969,298	833,739	989,865	1,150,211	1,150,793	1,481,861	1,417,925	1,571,833
School Administrative Services	2,990,676	2,895,553	3,002,684	2,989,391	2,977,795	2,971,662	3,210,115	3,507,662	3,588,165	3,911,810
Central Services	1,057,995	1,049,647	1,119,203	923,704	917,904	983,691	906,734	886,813	1,107,754	1,155,753
Plant Operations and Maintenance	4,074,182	3,947,646	4,033,195	4,102,985	4,067,711	4,250,554	4,461,856	4,577,160	5,484,563	4,822,068
Pupil Transportation	1,603,920	1,400,947	1,457,767	1,434,256	1,310,234	1,367,436	1,402,496	1,448,392	1,250,191	1,115,329
Employee Benefits										
Capital Outlay	4,210,289	2,766,696	1,865,901	2,622,619	3,018,012	3,269,553	1,368,211	4,628,733	6,646,787	15,824,225
Debt Service:										
Principal	704,266	781,550	637,027	593,155	615,000	640,000	750,000	695,000	16,865,000	936,000
Interest and Other Charges	706,461	685,995	659,528	631,877	607,644	728,004	437,443	492,050	696,783	793,307
Total Expenditures	53,001,868	52,478,606	53,439,926	53,584,856	54,812,385	57,314,425	57,959,594	64,556,414	85,541,355	78,808,520
Excess (Deficiency) of Revenues over (under) Expenditures	(521,383)	1,639,241	2,341,670	2,312,806	3,102,151	2,623,674	3,272,394	(1,210,666)	(15,828,854)	(9,534,180)
Other Financing Sources (Uses)										
Bond Proceeds									7,751,000	
Refunding Bond Proceeds						11,125,000				
Original Issue Premium						1,593,127		77,470		
Payment to Refunded Bond Escrow Agent						(12,572,667)				
Bond Anticipation Notes									16,140,000	
Transfers In	-	-	2,470,469	2,421,165	2,209,709		435,617	127,326	13,947,000	765,747
Transfers Out	-	-	(2,470,469)	(2,421,165)	(2,209,709)	-	(435,617)	(127,326)	(13,947,000)	(765,747)
Total Other Financing Sources (Uses)	-	-	-	-	-	145,460	-	77,470	23,891,000	-
Net Change in Fund Balances	\$ (521,383)	\$ 1,639,241	\$ 2,341,670	\$ 2,312,806	\$ 3,102,151	\$ 2,769,134	\$ 3,272,394	\$ (1,133,196)	\$ 8,062,146	\$ (9,534,180)
Debt Service as a Percentage of Noncapital Expenditures	2.89%	2.95%	2.51%	2.40%	2.36%	2.53%	2.10%	1.98%	22.26%	2.75%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Interest Earned	Rentals	Insurance Refunds	Book Fines	Cancelled Prior Year Checks / Accounts Payable	Tuition	Miscellaneous	Total
2011	103,223	26,867				63,826	99,908	293,824
2012	54,915	28,235				59,486	89,397	232,033
2013	69,207	23,318	128,196			49,020	106,478	376,219
2014	77,701	18,994				49,400	80,836	226,931
2015	66,461	28,560		1,341		68,939	112,979	278,280
2016	72,137	21,513			\$ 312,416	48,700	34,686	489,452
2017	116,501	21,601	194,892		124,382	52,500	54,817	564,693
2018	204,098	22,320	84,588		69,338	92,070	64,574	536,988
2019	547,432	28,967				49,018	74,606	700,023
2020	378,312	12,425				46,547	92,603	529,887

Source: District financial records

WESTWOOD REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)

BOROUGH OF WESTWOOD

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Equalized Valuation	Total Direct School Tax Rate ^a
2011	\$ 9,876,000	\$ 1,236,137,200			\$ 314,819,280	\$ 38,888,600	\$ 133,085,500	\$ 1,732,806,580	\$ 1,826,242	\$ 1,734,632,822	\$ 2,081,699,399	\$ 1.384
2012	10,442,600	1,235,415,800			311,164,000	38,838,600	133,184,200	1,729,045,200	1,785,435	1,730,830,635	2,135,623,100	1.448
2013	9,140,100	1,232,798,300			300,907,300	37,991,100	132,292,400	1,713,129,200	-	1,713,129,200	1,950,950,119	1.481
2014	7,757,300	1,198,836,400			348,075,100	39,282,700	147,777,500	1,741,729,000	-	1,741,729,000	1,841,735,328	1.458
2015	7,368,600	1,200,032,600			348,573,600	39,265,100	147,134,400	1,742,374,300	-	1,742,374,300	1,944,636,496	1.475
2016	7,147,900	1,205,065,900			350,549,500	38,708,500	147,279,400	1,748,751,200	-	1,748,751,200	1,959,278,249	1.505
2017	6,223,500	1,273,972,000			391,335,600	45,352,400	158,839,500	1,875,723,000	-	1,875,723,000	1,915,516,833	1.441
2018	5,929,300	1,300,533,900			422,372,000	47,372,900	162,231,200	1,938,439,300	-	1,938,439,300	1,945,643,230	1.434
2019	5,652,000	1,327,245,900			431,533,500	49,687,400	167,370,900	1,981,489,700	-	1,981,489,700	2,070,305,820	1.477
2020	5,028,600	1,346,479,700			440,149,700	51,700,400	173,509,900	2,016,868,300	-	2,016,868,300	2,064,559,627	1.501

TOWNSHIP OF WASHINGTON

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Equalized Valuation	Total Direct School Tax Rate ^a
2011	\$ 11,932,700	\$ 1,832,645,300			\$ 47,089,100			\$ 1,891,667,100	\$ 1,242,846	\$ 1,892,909,946	\$ 1,808,844,172	1.172
2012	10,923,300	1,823,303,100			46,926,800			1,881,153,200	1,197,357	1,882,350,557	1,795,740,588	1.159
2013	11,238,500	1,804,248,500			46,740,400			1,862,227,400	1,141,098	1,863,368,498	1,722,211,597	1.178
2014	8,392,400	1,564,076,500			48,794,300			1,621,263,200	1,004,352	1,622,267,552	1,989,272,914	1.387
2015	8,224,800	1,560,619,000			48,794,300			1,617,638,100	1,032,412	1,618,670,512	1,704,758,853	1.426
2016	8,167,400	1,559,767,100			48,744,900			1,616,679,400	972,363	1,617,651,763	1,740,908,053	1.467
2017	9,429,400	1,560,673,000			49,365,000			1,619,467,400	973,490	1,620,440,890	1,746,668,795	1.503
2018	9,235,900	1,564,636,800			49,365,000			1,623,237,700	740,435	1,623,978,135	1,799,283,499	1.540
2019	7,236,400	1,569,503,300		\$ 2,000	47,216,000			1,623,957,700	719,264	1,624,676,964	1,801,395,119	1.556
2020	7,236,800	1,571,935,700		2,000	46,652,500			1,625,827,000	714,163	1,626,541,163	1,831,092,465	1.586

Source: County Abstract of Ratables

^a Tax rates are per \$100

WESTWOOD REGIONAL SCHOOL DISTRICT
TOWNSHIP OF WASHINGTON
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)

<u>Calendar Year</u>	<u>Total</u>	<u>Westwood Regional School District</u>	<u>Township of Washington</u>	<u>County</u>
2020	\$ 2.485	\$ 1.586	\$ 0.619	\$ 0.280
2019	2.429	1.556	0.602	0.271
2018	2.363	1.540	0.552	0.271
2017	2.325	1.503	0.551	0.271
2016	2.270	1.470	0.540	0.260
2015	2.232	1.426	0.555	0.251
2014	2.212	1.387	0.587	0.238
2013	1.89	1.18	0.50	0.21
2012	1.87	1.16	0.50	0.21
2011	1.86	1.17	0.49	0.20

Source: Abstract of Ratables, County Board of Taxation.

**WESTWOOD REGIONAL SCHOOL DISTRICT
BOROUGH OF WESTWOOD
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)**

Calendar Year	<u>Total</u>	<u>Westwood Regional School District</u>	<u>Borough of Westwood</u>	<u>County</u>
2020	\$ 2.534	\$ 1.501	\$ 0.778	\$ 0.255
2019	2.520	1.477	0.787	0.256
2018	2.483	1.434	0.801	0.248
2017	2.509	1.441	0.812	0.256
2016	2.627	1.505	0.847	0.275
2015	2.544	1.475	0.817	0.252
2014	2.492	1.458	0.787	0.247
2013	2.463	1.481	0.721	0.261
2012	2.411	1.448	0.698	0.265
2011	2.325	1.384	0.689	0.252

Source: Abstract of Ratables, County Board of Taxation.

**WESTWOOD REGIONAL SCHOOL DISTRICT
BOROUGH OF WESTWOOD
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

2020		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Hackensack UMC at Pascack Vallye	\$ 94,932,400	4.71%
CPF Westwood LLC	55,817,000	2.77%
First Real Estate Investment Trust of NJ	38,688,700	1.92%
Westwood Hills, LLC	33,529,000	1.66%
Puccio III LLC	16,711,100	0.83%
Westwood Charles Coventry Owner LP	15,820,800	0.78%
PVP Westwood LLC	12,964,900	0.64%
WW Madison Realty LLC NJ	12,635,500	0.63%
Westwood Ctr Stanford Property Owner	11,976,200	0.59%
	293,075,600	14.53%

2011		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
HUMCA/Touro LLC	68,536,300	3.95%
Cenrose Westwood, LLC	46,430,700	2.68%
Westwood Hills, LLC	28,795,000	1.66%
First Real Estate Investment Trust of NJ	27,000,000	1.56%
Coventry Square, Inc	11,903,300	0.69%
Millenium Healthcare, Inc.	8,075,500	0.47%
Stanford Court, Inc.	7,804,800	0.45%
WVA, LLC	7,417,200	0.43%
PVP Westwood LLC	6,500,000	0.37%
E Coast Westview LLC	6,241,800	0.36%
	\$ 218,704,600	12.61%

Source: Municipal Tax Assessor

**WESTWOOD REGIONAL SCHOOL DISTRICT
TOWNSHIP OF WASHINGTON
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2020	
	Taxable Assessed Value	% of Total District Net Assessed Value
Washington Town Center LLC	\$ 7,990,200	0.49%
Washington Town Center LLC	5,988,300	0.37%
Bing-Wash Twsp Corp	5,798,500	0.36%
TJ Realty LLC	5,465,000	0.34%
Ormon LLC	3,539,000	0.22%
Washington Town Center LLC	2,638,800	0.16%
Washington Town Center LLC	2,617,700	0.16%
Grove City LLC	2,049,700	0.13%
34 Maple Avenue LLC	1,974,400	0.12%
Harrison, Damon	1,388,300	0.09%
	<u>39,449,900</u>	<u>2.43%</u>

Taxpayer	2011	
	Taxable Assessed Value	% of Total District Net Assessed Value
Washington Town Center LLC	\$ 9,830,800	0.52%
Washington Town Center	6,033,600	0.32%
TJG Inc. (A Seasons Rest.)	6,000,700	0.32%
Binghamton/Washington Tennis Club	6,000,000	0.32%
Ormon, LLC	3,635,800	0.19%
Washington Town Centre	2,934,400	0.16%
Utlely & Assoc Inc	2,355,700	0.12%
Grove City LLC (Bacari's Rest)	2,107,900	0.11%
Individual Taxpayer	1,994,700	0.11%
Washington Township Recreation Club	1,845,700	0.10%
	<u>\$ 42,739,300</u>	<u>2.26%</u>

Source: Municipal Tax Assessor

**WESTWOOD REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 45,877,224	\$ 45,877,224	100.00%	N/A
2012	46,555,200	46,555,200	100.00%	N/A
2013	47,196,516	47,196,516	100.00%	N/A
2014	47,430,313	47,430,313	100.00%	N/A
2015	48,358,593	48,358,593	100.00%	N/A
2016	49,215,145	49,215,145	100.00%	N/A
2017	50,863,213	50,863,213	100.00%	N/A
2018	51,882,911	51,882,911	100.00%	N/A
2019	53,706,181	53,706,181	100.00%	N/A
2020	55,349,432	55,349,432	100.00%	N/A

N/A - Not Applicable

Source: District records

WESTWOOD REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities			Total District	Westwood Population	Washington Township Population	Total per Capita (Both Towns)
	General Obligation Bonds	Capital Leases	Loans				
2011	\$ 16,647,000	\$ 301,819	\$ 19,913	\$ 16,968,732	11,019	9,178	\$ 840
2012	16,107,000	66,678	13,504	16,187,182	11,050	9,209	799
2013	15,542,000	1,286	6,869	15,550,155	11,074	9,236	766
2014	14,957,000			14,957,000	11,094	9,257	735
2015	14,342,000			14,342,000	11,122	9,279	703
2016	18,791,000			18,791,000	11,102	9,253	923
2017	12,460,000			12,460,000	11,135	9,243	611
2018	11,765,000			11,765,000	11,111	9,215	579
2019	18,791,000			18,791,000	11,078	9,176	928
2020	17,855,000			17,855,000	11,078 *	9,176 *	882

Source: District records

* Estimated

WESTWOOD REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Borough of Westwood	Township of Washington	Total per Capita (both towns) ^b	
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property (1)		Percentage of Actual Taxable Value ^a of Property (1)
2011	\$ 16,647,000		\$ 16,647,000	0.96%	0.88%	824
2012	16,107,000		16,107,000	0.93%	0.86%	795
2013	15,542,000		15,542,000	0.91%	0.83%	765
2014	14,957,000		14,957,000	0.86%	0.92%	735
2015	14,342,000		14,342,000	0.82%	0.89%	703
2016	13,210,000		13,210,000	0.76%	0.82%	649
2017	12,460,000		12,460,000	0.66%	0.77%	611
2018	11,765,000		11,765,000	0.61%	0.72%	579
2019	18,791,000		18,791,000	0.95%	1.16%	928
2020	17,855,000		17,855,000	0.89%	1.10%	882

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-10 for population data.

(1) Based on percentage of valuations apportioned to each municipality

**WESTWOOD REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2019
(Unaudited)**

	<u>Gross Debt</u>
Municipal Debt: (1)	
Regional High School - Washington Township's Share	\$ 8,281,826
Township of Washington	<u>16,729,042</u>
	<u>\$ 25,010,868</u>
Municipal Debt: (1)	
Regional High School - Westwood's Share	\$ 9,573,769
Borough of Westwood	<u>14,742,924</u>
	<u>\$ 24,316,693</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen- Washington Township's Share (A)	\$ 14,087,640
County of Bergen- Westwood's Share (A)	16,230,980
Bergen County Utilities Authority - Water Pollution (B)-Washington Township's Share	1,345,380
Bergen County Utilities Authority -Water Pollution (B)- Westwood's Share	<u>1,797,057</u>
	<u>33,461,057</u>
Total Direct and Overlapping Debt	<u>\$ 57,777,750</u>

Source:

(1) Township/Borough's 2019 Annual Debt Statement

(A) The debt for this entity was apportioned to Washington Township and Westwood by dividing the municipality's 2019 equalized value by the total 2019 equalized value for County of Bergen.

(B) The debt was computed based upon usage.

**WESTWOOD REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

Legal Debt Margin Calculation for Fiscal Year 2020

		Borough of <u>Westwood</u>	Township of <u>Washington</u>
	2019	\$ 2,105,727,630	\$ 1,828,987,161
	2018	2,156,697,040	1,800,596,450
Equalized Valuation Basis	2017	<u>2,066,335,437</u>	<u>1,793,231,536</u>
		<u>\$ 6,328,760,107</u>	<u>\$ 5,422,815,147</u>
Average Equalized Valuation of Taxable Property		\$ 2,109,586,702	\$ 1,807,605,049
Debt Limit (4 % of average equalization value)		84,383,468	72,304,202
Total Net Debt Applicable to Limit		<u>9,573,769</u>	<u>8,281,826</u>
Legal Debt Margin		<u>\$ 74,809,699</u>	<u>\$ 64,022,376</u>

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	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt limit	\$ 157,512,802	\$ 156,847,825	\$ 153,522,662	\$ 150,093,897	\$ 145,518,448	\$ 145,208,313	\$ 145,868,133	\$ 149,470,031	\$ 153,093,546	\$ 156,687,670
Total net debt applicable to limit	<u>16,666,988</u>	<u>16,120,579</u>	<u>15,548,944</u>	<u>14,957,000</u>	<u>14,342,075</u>	<u>13,210,075</u>	<u>12,460,075</u>	<u>35,656,595</u>	<u>18,791,595</u>	<u>17,855,595</u>
Legal debt margin	<u>\$ 140,845,814</u>	<u>\$ 140,727,246</u>	<u>\$ 137,973,718</u>	<u>\$ 135,136,897</u>	<u>\$ 131,176,373</u>	<u>\$ 131,998,238</u>	<u>\$ 133,408,058</u>	<u>\$ 113,813,436</u>	<u>\$ 134,301,951</u>	<u>\$ 138,832,075</u>
Total net debt applicable to the limit as a percentage of debt limit	10.58%	10.28%	10.13%	9.97%	9.86%	9.10%	8.54%	23.86%	12.27%	11.40%

Source: Annual Debt Statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Township of Washington

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income^c</u>	<u>Unemployment Rate</u>
2011	9,178	\$ 69,053	8.10%
2012	9,209	72,152	8.20%
2013	9,236	71,679	7.40%
2014	9,257	74,452	5.00%
2015	9,279	77,666	4.30%
2016	9,253	79,145	4.10%
2017	9,243	81,483	3.80%
2018	9,215	85,951	3.30%
2019	9,176	N/A	2.90%
2020	9,176 (E)	N/A	N/A

Borough of Westwood

2011	11,019	\$ 69,053	4.80%
2012	11,050	72,152	4.90%
2013	11,074	71,679	7.60%
2014	11,094	74,452	5.00%
2015	11,122	77,666	4.30%
2016	11,102	79,145	3.80%
2017	11,135	81,483	3.60%
2018	11,111	85,951	3.40%
2019	11,078	N/A	2.70%
2020	11,078 (E)	N/A	N/A

Source: New Jersey State Department of Education

(E) Estimated

**WESTWOOD REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

INFORMATION NOT AVAILABLE

**WESTWOOD REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Instruction										
Regular	185	190	190	190	190	186	173	195	195	221
Special Education	57	52	56	57	61	68	47	49	49	47
Support Services:										
Student & instruction Related Services	96	96	107	112	112	118	110	113	113	113
General Administration	4	4	4	5	5	5	5	6	6	6
School Administrative Services	21	21	21	16	17	17	23	24	24	24
Central Services	10	10	10	9	8	7	7	9	9	9
Plant Operations and Maintenance *	72	76	34	34	35	36	35	36	36	36
Other Support Services	2	2	2	2	2	2	6	6	6	6
Total	<u>446</u>	<u>450</u>	<u>424</u>	<u>425</u>	<u>428</u>	<u>439</u>	<u>405</u>	<u>438</u>	<u>438</u>	<u>462</u>

* - Lunch Aides reclassified as Student and Instruction Related Services; Summer help removed from FTE count.

Source: District records

WESTWOOD REGIONAL SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Middle	Junior/Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2011	2,730.0	\$ 46,093,840	\$ 16,884	-3.41%	230.5	14.13	10.12	10.13	2,724.8	2,605.3	-0.21%	95.61%
2012	2,758.5	48,244,365	17,489	3.58%	212.5	14.52	13.67	10.57	2,705.2	2,596.7	-0.72%	95.99%
2013	2,734.5	50,277,470	18,386	5.13%	246.0	12.47	11.11	9.71	2,680.3	2,569.9	-0.92%	95.88%
2014	2,723.0	49,737,205	18,266	-0.65%	247.0	11.9	9.2	10.52	2,688.1	2,575.1	0.29%	95.79%
2015	2,752.5	50,571,729	18,373	0.59%	251.0	11.7	10.41	10.19	2,736.0	2,620.4	1.78%	95.78%
2016	2,762.5	52,676,828	19,069	3.79%	254.0	11.24	10.28	10.73	2,733.9	2,620.8	-0.08%	95.86%
2017	2,779.5	55,403,940	19,933	4.53%	276.8	9.92	14.84	7.97	2,777.9	2,650.6	1.61%	95.42%
2018	2,796.0	57,533,000	20,577	3.23%	251.0	11.84	10.15	10.91	2,795.1	2,669.6	0.62%	95.51%
2019	2,779.0	61,332,785	22,070	7.26%	244.0	17.39	13.34	12.81	2,771.8	2,637.9	-0.83%	95.17%
2020	2,787.0	61,254,988	21,979	-0.41%	268.0	10.58	9.81	10.59	2,797.1	2,700.0	0.91%	96.53%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

WESTWOOD REGIONAL SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>District Building</u>										
<u>Elementary</u>										
Washington										
Square Feet	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	315	303	305	311	298	292	300	298	323	309
Jessie George										
Square Feet	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment ^a	353	270	253	250	250	247	262	255	270	289
Brookside										
Square Feet	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	379	381	376	369	382	389	401	420	389	403
Berkeley										
Square Feet	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	294	272	294	309	288	295	300	291	313	306
<u>Middle School</u>										
Square Feet	47,400	47,400	47,400	47,400	47,400	47,400	47,400	47,400	47,400	47,400
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	414	451	464	431	433	430	419	416	431	433
<u>Jr/Sr High School</u>										
Square Feet	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	966	1,021	931	1,020	1,068	1,080	1,097	1,069	1,060	1,071

Number of Schools at June 30, 2020
 Elementary = 4
 Middle School = 1
 Senior High School = 1

Source: District Records

N/A - Not Available

WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

<u>School Facilities</u>	<u>Project #'s</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Berkeley Elementary	60	\$ 70,650	\$ 72,109	\$ 62,750	\$ 67,255	\$ 77,469	\$ 71,052	\$ 77,523	\$ 81,505	\$ 116,348	\$ 71,204
George Elementary	65	63,298	64,605	56,220	60,256	69,407	63,658	58,538	55,639	75,494	52,890
Washington Elementary	80	82,570	84,275	73,337	78,602	90,539	83,039	84,762	72,494	133,398	76,814
Brookside Elementary	62	79,837	81,486	70,910	76,000	87,543	80,292	125,076	78,549	159,731	88,487
Middle School	70	79,132	80,766	70,284	75,329	86,769	79,582	132,402	91,131	146,799	198,517
Westwood Junior/Senior High School	50	<u>375,804</u>	<u>383,564</u>	<u>333,784</u>	<u>357,742</u>	<u>412,075</u>	<u>377,942</u>	<u>401,585</u>	<u>359,526</u>	<u>535,976</u>	<u>437,360</u>
Grand Total		<u>\$ 751,291</u>	<u>\$ 766,805</u>	<u>\$ 667,285</u>	<u>\$ 715,184</u>	<u>\$ 823,802</u>	<u>\$ 755,564</u>	<u>\$ 879,886</u>	<u>\$ 738,844</u>	<u>\$ 1,167,746</u>	<u>\$ 925,272</u>

Source: District Records

WESTWOOD REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2020
(Unaudited)

Article I - Property

Coverage

Blanket Real and Personal Property	\$	500,000,000	per occurrence
Blanket Extra Expense		50,000,000	per occurrence
Blanket Valuable Papers and Records		10,000,000	per occurrence
Demolition and Increased Cost of Construction		25,000,000	per occurrence
Fire Department Service Charge		10,000	per occurrence
Arson Reward		10,000	per occurrence
Pollutant Cleanup and Removal		250,000	per occurrence
Sublimits: Flood Zones			per occurrence
		25,000,000	NJSIG annual aggregate
All Flood Zones		75,000,000	per occurrence/NJSIG annual aggregate
Earthquake		50,000,000	per occurrence
			NJSIG annual aggregate
Terrorism		1,000,000	per occurrence
			NJSIG annual aggregate
Deductibles:			
Real & Personal		5,000	per occurrence
Extra Expense		5,000	per occurrence
Valuable Papers		5,000	per occurrence
Special Flood Hazard Area Flood Deductibles			
		500,000	per building
		500,000	per building contents
All Other Flood Zones		10,000	per member/per occurrence

Article II - Electronic Data Processing

Blanket Hardware/Software/Data Processing Equipment	\$	2,000,000	per occurrence
Blanket Extra Expense		Included	
Coverage Extensions;			
Transit		25,000	
Loss of Income		10,000	
Terrorism		Included in Property	
Deductible		1,000	per occurrence
Flood Deductibles:			
Zones A & V		500,000	per building content
All Other Flood Zones		10,000	per member/per occurrence

**WESTWOOD REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2020
(Unaudited)**

Article III - Equipment Breakdown

Combined Single Limit per Accident for Property Damage and Business Income	\$	100,000,000
Sublimits:		
Property Damage		Included
Off Premises Property Damage		100,000
Business Income		Included
Extra Expense		10,000,000
Service Interruption		10,000,000
Perishable Goods		1,000,000
Data Restoration		1,000,000
Contingent Business Income		1,000,000
Demolition		1,000,000
Ordinance or Law		1,000,000
Expediting Expenses		1,000,000
Hazardous Substances		1,000,000
Newly Acquired Locations (120 days notice)		1,000,000
Terrorism		Included
Deductibles:		
\$5,000 per Accident for Property Damage		
12 Hours for Indirect Coverages		
Service Interruption Waiting Period - 24 Hours		

Article IV - Crime

	<u>Limits</u>	<u>Deductibles</u>
Public Employee Dishonesty with Faithful Performance	\$ 250,000	1,000
Theft, Disappearance and Destruction - Loss of Money & Securities On or Off Premises	50,000	1,000
Theft, Disappearance and Destruction - Money Orders & Counterfeit Paper Currency	50,000	1,000
Forgery or Alteration	250,000	1,000
Computer Fraud	250,000	1,000
Public Officials Bond:		
Board Secretary	100,000	1,000
Treasurer	350,000	1,000

Article V - Comprehensive General Liability

Bodily Injury and Property Damage	16,000,000	per occurrence
Products and Completed Operations	16,000,000	annual aggregate
Sexual Abuse	16,000,000	
	17,000,000	annual NJSIG aggregate
Personal Injury and Advertising Injury	16,000,000	per occurrence
	16,000,000	annual aggregate
Employee Benefits Liability	16,000,000	per occurrence/annual aggregate
Employee Benefits Liability Deductible	1,000	each claim
Premises Medical Payments	10,000	per accident
	5,000	limit per person
Terrorism	1,000,000	per occurrence/annual NJSIG aggregate

Source: District Records

*Note: The District is part of the New Jersey School Boards Insurance Group. The above coverage represents the combined amounts for all of the school districts under master policies with insurance companies.

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Education
Westwood Regional School District
Washington Township, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District as of and for the fiscal year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Westwood Regional School District’s basic financial statements and have issued our report thereon dated December 18, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Westwood Regional School District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Westwood Regional School District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Westwood Regional School District’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

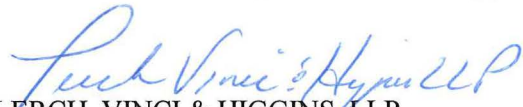
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Westwood Regional School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.


However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Westwood Regional School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated December 18, 2020.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Westwood Regional School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Westwood Regional School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
December 18, 2020



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Education
Westwood Regional School District
Washington Township, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Westwood Regional School District’s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Westwood Regional School District’s major federal and state programs for the fiscal year ended June 30, 2020. The Westwood Regional School District’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance applicable to its federal and state programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Westwood Regional School District’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, U.S. Uniform Guidance and New Jersey Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Westwood Regional School District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Westwood Regional School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Westwood Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08 and which is described in the accompanying schedule of findings and questioned costs as item 2020-01. Our opinion on each major federal and state program is not modified with respect to this matter.

The Westwood Regional School District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Westwood Regional School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Westwood Regional School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Westwood Regional School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Westwood Regional School District's internal control over compliance.


A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

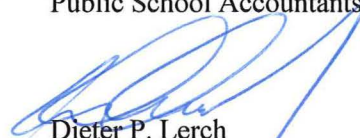
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District, as of and for the fiscal year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated December 18, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
December 18, 2020

WESTWOOD REGIONAL SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Federal/Grantor/Pass-Through Grant Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2019		Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment-Carryover Receivables	Adjustments	Balance, June 30, 2020			MEMO GAAP Receivable	
						Accounts Receivable	Unearned Revenue						(Accounts Receivable)	Unearned Revenue	Due to Grantor		
U.S. Department of Education																	
Passed-through State Department of Education																	
Special Revenue Fund:																	
IDEA Part B Basic	84.027A	H027A190100	IDEA575519	7/1/19-9/30/20	\$ 755,671			\$ 42,348	\$ 717,785	\$ 727,874	\$ (42,348)		\$ (80,234)	\$ 70,145		\$ 10,089	
IDEA Part B Basic	84.027	H027A170100	IDEA575518	7/1/18-6/30/19	752,008	(120,850)	42,348	(42,348)	78,502		42,348						
IDEA Preschool	84.173	H173A190114	IDEA575519	7/1/19-9/30/20	36,713			29,298	64,480	64,480	(29,298)		(1,531)	1,531		-	
IDEA Preschool	84.173	H173A160117	IDEA575518	7/1/18-6/30/19	36,340	(55,431)	29,299	(29,298)	26,133		29,298	\$ (1)				-	
Special Education Cluster Total						(176,281)	71,647	-	886,900	792,354	-	(1)	(81,765)	71,676		10,089	
ESEA Title I	84.010	S010A190030	NCLB5755-19	7/1/19-9/30/20	164,175			15,386	88,233	158,970	(15,386)		(91,328)	20,591		70,737	
ESEA Title I	84.010	S010A180030	NCLB5755-18	7/1/18-6/30/19	175,284	(117,089)	15,386	(15,386)	101,703		15,386						
ESEA Title IIA	84.367A	S367A190029	NCLB5755-19	7/1/19-9/30/20	53,273			5,862	44,203	51,522	(5,862)		(14,932)	7,613		7,319	
ESEA Title IIA	84.367A	S367A180029	NCLB5755-18	7/1/18-6/30/19	56,561	(27,148)	5,862	(5,862)	21,286		5,862						
ESEA Title III	84.365A	S365A190030	NCLB5755-19	7/1/19-9/30/20	12,300			119	10,895	10,363	(119)		(1,524)	2,056		(532)	
ESEA Title III	84.365	S365A180030	NCLB5755-18	7/1/18-6/30/19	11,253	(8,740)	118	(119)	8,621		119	1					
ESEA Title III-Immigrant	84.365A	S365A190030	NCLB5755-19	7/1/19-9/30/20				12	12		12						
ESEA Title III-Immigrant	84.365	S365A180030	NCLB5755-18	7/1/18-6/30/19	3,425	(2,832)	12	(12)	2,820		12						
CARES Emergency Relief Grant	84.425d	S425D2000027		3/31/20-9/30/22	131,995	-	-	-	-	-	-	-	(131,995)	131,995		-	
Total Special Revenue Fund						(332,090)	93,025	-	1,164,673	1,013,221	-	-	(321,544)	233,931		87,613	
U.S. Department of Health and Human Services																	
Passed-through State Department of Education																	
General Fund																	
Medical Assistance Program	93.778	1605NJ5MAP		7/1/19-6/30/20	5,279	-	-	-	5,279	5,279	-	-	-	-	-	-	
U.S. Department of Agriculture																	
Passed-through State Department of Education																	
Enterprise Fund:																	
School Breakfast Program	10.553	201NJ304N1099		7/1/19-6/30/20	11,281				8,988	11,281			(2,293)			2,293	
School Breakfast Program	10.553	191NJ304N1099		7/1/18-6/30/19	1,264	(287)			287								
National School Lunch Program	10.555																
Non-Cash Assistance		201NJ304N1099		7/1/19-6/30/20	44,354				44,354	44,354							
Non-Cash Assistance		191NJ304N1099		7/1/18-6/30/19	42,336												
Cash Assistance		201NJ304N1099		7/1/19-6/30/20	121,990				117,654	121,990			(4,336)			4,336	
Cash Assistance		191NJ304N1099		7/1/18-6/30/19	153,293	(28,532)	-	-	28,532		-	-				-	
Total Enterprise Fund / Child Nutrition Cluster						(28,819)	-	-	199,815	177,625	-	-	(6,629)	-		6,629	
Total Federal Awards					\$ (360,909)	\$ 93,025	\$ -	\$ 1,369,767	\$ 1,196,125	\$ -	\$ -	\$ -	\$ (328,173)	\$ 233,931	\$ -	\$ 94,242	

WESTWOOD REGIONAL SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

EXHIBIT K-4

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2019	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Cancelled Prior Year Accounts Payable	(Accounts Receivable) June 30, 2020	Unearned Revenue June 30, 2020	Due to Grantor June 30, 2020	Memo		
												GAAP Acct. Receivable	Total Cumulative Expenditures	
State Department of Education														
General Fund:														
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	\$ 1,734,763		\$ 1,609,142	\$ 1,734,763			\$ (125,621)					\$ 1,734,763
Special Education Aid	19-495-034-5120-089	7/1/19-6/30/19	1,563,802	(118,727)	118,727				(3,986)					55,037
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	55,037		51,051	55,037								
Security Aid	19-495-034-5120-084	7/1/18-6/30/19	55,037	(4,178)	4,178									
State Aid - Public Cluster Total				(122,905)	1,783,098	1,789,800			(129,607)					1,789,800
Transportation Aid	20-495-034-5120-015	7/1/19-6/30/20	422,522		391,926	422,522			(30,596)					422,522
Transportation Aid	19-495-034-5120-015	7/1/18-6/30/19	422,522	(32,078)	32,078									
Additional Nonpublic Transportation Aid	N/A		1,450		1,450	1,450			(1,450)				\$ 1,450	1,450
Additional Nonpublic Transportation Aid	N/A	7/1/18-6/30/19	42,423	(42,423)	42,423									
Transportation Aid - Cluster Total				(74,501)	466,427	423,972			(32,046)				1,450	423,972
Extraordinary Special Education Costs Aid	20-495-034-5120-473	7/1/19-6/30/20	565,460		643,107	565,460			(565,460)					565,460
Extraordinary Special Education Costs Aid	19-495-034-5120-473	7/1/18-6/30/19	643,107	(643,107)	643,107									
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	7/1/19-6/30/20	1,763,378		1,676,861	1,763,378			(86,517)				86,517	1,763,378
Reimbursed TPAF Social Security Contributions	19-495-034-5094-003	7/1/18-6/30/19	1,738,769	(86,252)	86,252									
On-Behalf TPAF Pension System Contributions (NCGI)	20-495-034-5094-007	7/1/19-6/30/20	90,056		90,056	90,056								90,056
On-Behalf TPAF Pension System Contributions (Normal Costs and Accrued Liability)	20-495-034-5094-006	7/1/19-6/30/20	5,024,367		5,024,367	5,024,367								5,024,367
On-Behalf TPAF Pension System Contributions (LTDI)	20-495-034-5094-007	7/1/19-6/30/20	5,358		5,358	5,358								5,358
On-Behalf TPAF Pension System Contributions (Post Retirement)	20-495-034-5094-001	7/1/19-6/30/20	1,897,357		1,897,357	1,897,357								1,897,357
Total General Fund				(926,765)	11,672,883	11,559,748			(813,630)				87,967	11,559,748
Special Revenue Fund:														
N.J. Nonpublic Aid:														
Auxiliary Services:														
Home Instruction	20-100-034-5120-067	7/1/19-6/30/20	1,014		417	1,014			(1,014)					
Home Instruction	19-100-034-5120-067	7/1/18-6/30/19	417	(417)	417									
Chapter 192 Cluster Total				(417)	417	1,014			(1,014)					
Handicapped Services (Chapter 193):														
Examination & Classification	20-100-034-5120-066	7/1/19-6/30/20	30,287		25,929	23,971		3	(4,358)		\$ 6,319			23,971
Examination & Classification	19-100-034-5120-066	7/1/18-6/30/19	33,123	12,917			\$ 12,914	(3)						
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20	13,671		12,173	10,117			(1,498)		3,554			10,117
Corrective Speech	19-100-034-5120-066	7/1/18-6/30/19	9,820	3,214			3,214							
Supplemental Instruction	20-100-034-5120-066	7/1/19-6/30/20	25,904		23,461	567			(2,443)		25,337			567
Supplemental Instruction	19-100-034-5120-066	7/1/18-6/30/19	26,167	10,228			10,228							
Chapter 193 Cluster Total				26,359	61,563	34,655	26,356		(8,299)		35,210			34,655
Security Aid	20-100-034-5120-509	7/1/19-6/30/20	115,650		115,650	115,599		4,200			4,251			115,599
Security Aid	19-100-034-5120-509	7/1/18-6/30/19	118,350	123			123							
Technology Aid	20-100-034-5120-373	7/1/19-6/30/20	24,912		24,912	24,677					235			24,677
Technology Aid	19-100-034-5120-373	7/1/18-6/30/19	25,884	1,528			1,528							
Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20	36,475		36,475	36,294					181			36,294
Textbook Aid	19-100-034-5120-064	7/1/18-6/30/19	38,394	198			198							
Nursing Aid	20-100-034-5120-070	7/1/19-6/30/20	74,787		74,787	74,476					311			74,476
Nursing Aid	19-100-034-5120-070	7/1/18-6/30/19	76,533	1,440			1,440							
Total Special Revenue Fund				29,231	313,804	286,715	29,645	4,200	(9,313)		40,188			285,701
Capital Projects Fund:														
NJEDA-SDA Grants														
High School Facade Replacement	5755-050-14-1001	7/1/13-6/30/14	1,182,636	(1,141,059)					(1,182,636)	\$ 41,577			1,182,636	
High School Partial Roof Replacement	5755-050-14-1002	7/1/13-6/30/14	1,104,061	(907,799)					(1,104,061)	196,262			1,104,061	
Total Capital Projects Fund /SDA Cluster Total				(2,048,858)					(2,286,697)	237,839			2,286,697	
Debt Service Fund:														
Debt Service State Support	20-495-034-5120-075	7/1/19-6/30/20	429,247		429,247	429,247								429,247
Total Debt Service Fund					429,247	429,247								429,247
State Department of Agriculture														
Enterprise Fund:														
National School Lunch Program	20-100-010-3550-063	7/1/19-6/30/20	9,446		6,910	9,446			(2,536)				2,536	9,446
National School Lunch Program	19-100-010-3550-063	7/1/18-6/30/19	9,707	(1,851)	1,851									
Total Enterprise Fund				(1,851)	8,761	9,446			(2,536)				2,536	9,446
Total State Financial Assistance				(2,948,243)	12,424,695	12,285,156	29,645	4,200	(3,112,176)	237,839	40,188		2,377,200	12,284,142
Less: Amounts Not Subject to Single Audit and Major Program Determination														
On-Behalf TPAF Pension System Contributions (Normal Costs, Accrued Liability and NCGI)					(5,114,423)	(5,114,423)								(5,114,423)
On-Behalf TPAF Pension System Contributions (LTDI)					(5,358)	(5,358)								(5,358)
On-Behalf TPAF Pension System Contributions (Post Retirement)					(1,897,357)	(1,897,357)								(1,897,357)
Total State Financial Assistance Subject to Single Audit and Major Program Determination Calculation				\$ (2,948,243)	\$ 5,407,557	\$ 5,268,018	\$ 29,645	\$ 4,200	\$ (3,112,176)	\$ 237,839	\$ 40,188		\$ 2,377,200	\$ 5,267,004

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Westwood Regional School District. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

The financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$72,427 for the general fund and an increase of \$7,921 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 5,279	\$ 11,632,175	\$ 11,637,454
Special Revenue Fund	1,012,261	295,595	1,307,856
Debt Service Fund		429,247	429,247
Food Service Fund	<u>177,625</u>	<u>9,446</u>	<u>187,071</u>
Total Financial Assistance	<u>\$ 1,195,165</u>	<u>\$ 12,366,463</u>	<u>\$ 13,561,628</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,763,378 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2020. The amount reported as TPAF Pension System Contributions in the amount of \$5,114,423, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,897,357 and TPAF Long-Term Disability Insurance in the amount of \$5,358 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2020.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7 DE MINIMIS INDIRECT COST RATE

The District has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? yes X no

2) Were significant deficiencies identified that were not considered to be material weakness(es) yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over compliance:

1) Material weakness(es) identified? yes X no

2) Were significant deficiencies identified that were not considered to be material weakness(es) yes X none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance X yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027A	IDEA Part B, Basic
84.173	IDEA Preschool

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes X no

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

1) Material weakness(es) identified? _____ yes X no

2) Were significant deficiencies identified that are not considered to be material weakness(es) _____ yes X none reported

Type of auditor's report on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08, as amended? _____ yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
20-495-034-5120-089	Special Education Aid
20-495-034-5120-084	Security Aid
20-495-034-5094-003	Reimbursed TPAF Social Security Contributions

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes _____ no

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

**WESTWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

Finding 2020-01

Our audit indicated that the District did not maintain the required level of effort with respect to Special Education expenditures related to the federal IDEA grant program.

Information on the Federal Program

84.027	IDEA, Part B – Basic
84.137	IDEA Preschool

Criteria or Specific Requirement

U.S. Uniform Guidance; Compliance Supplement – Special Education Cluster

Condition

The District did not meet its minimum requirement for special education expenditures funds from local and/or state funds.

Questioned Costs

None.

Context

The District was awarded \$792,384 in IDEA funds for 2019-20, an increase \$4,036 from the 2018/19 award amount. The District's local/state expenditures for special education costs decreased by \$331,602 from 2018/19 to 2019/20.

IDEA funds received by a school district cannot be used except under limited circumstances to reduce the level of expenditures for the education of children with disabilities made from state and local funds below the level of those expenditures for the preceding fiscal year.

Effect

The District is not in compliance with the maintenance of effort requirement with respect to the IDEA grant program.

Cause

Unknown.

Recommendation

The District maintain its level of effort with respect to special education expenditures funded from state and/or local funds in accordance with the federal IDEA grant program compliance requirements.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated it will review and revise its procedures to ensure corrective action is taken.

WESTWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

There are none.

**WESTWOOD SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.